The China Weekly REVIEW

密勒氏評論報

A Weekly Newspaper Established in 1917

Another Tokyo Writer Forecasts U. S. Withdrawal from China

ARTICLES IN THIS ISSUE

Mr. Townsend "Answers" His "Ways That Are Dark"

Dr. Wang Chung-hui's Appointment and the Future Outlook

Another Tokyo Writer Sees America Departing from the Orient

International Co-operation Stressed by Wang Chung-hui; Sato Sees Need of Revising China Policy

Extradition of Chinese, Said to Be Koreans, to Japanese Headquarters, Strongly Opposed . By C. Y. W. Meng

The New National Army in China's Defense Plans . . . . . By Haldore Hanson

Foreign Traders in North China Look Forward to Period of Prosperity, Despite Smuggling . . By Marcus Mervine

Front Populaire in China . . . . . By Chien Tsen Hai

Geopolitique and the Future Expansion of Japan . . . . . By Dietrich Husemann

Possibility of Kuomintang-Communist Co-operation . . . . . By C. J. Wang

SATURDAY, MARCH 13, 1937 VOLUME 80, NUMBER 2

THIRTY CENTS A COPY
(In Shanghai)
FORTY CENTS ELSEWHERE

VISIT AMOY & MANILA

Where Tropical Climes Reign Throughout The Year

By

The *s. s.* HAI HENG

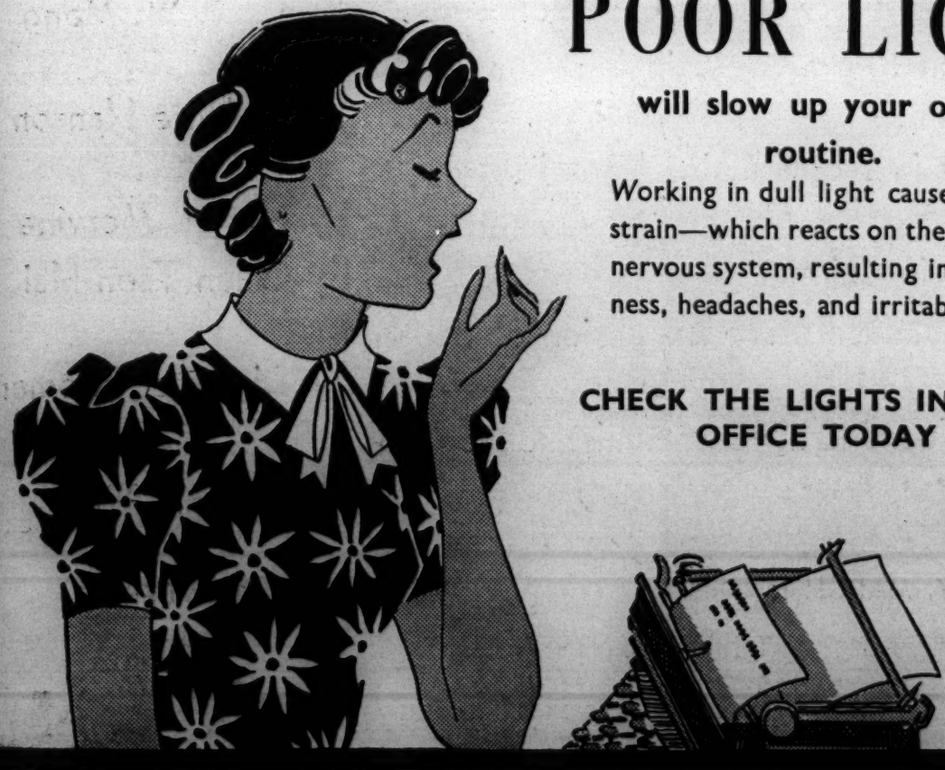
Regular Sailings Every 10 Days
From March 27

For Particulars Please Apply To

China Merchants Steam Navigation Co., Ltd.
9 The Bund, Shanghai. Tel: 11583-9

Agencies: Bing Kee Hong, Lio Au Hoau, Amoy
Manila Steamship Co., Manila, P.I.

SHANGHAI POWER COMPANY



POOR LIGHT

will slow up your office routine.

Working in dull light causes eye-strain—which reacts on the entire nervous system, resulting in tiredness, headaches, and irritability.

CHECK THE LIGHTS IN YOUR OFFICE TODAY

LIGHTING REPRESENTATIVES at our Nanking Road office will be glad to advise customers on their lighting problems, without cost or obligation.

密勒氏評論報
The China Weekly
REVIEW
Formerly Millard's Review

中華郵政特准掛號立券之報紙

Registered at the Chinese Post Office as a Newspaper for transmission with special marks privileges in China.

Volume 80 | Shanghai, China, Saturday March 13, 1937 | Number 2

THE CHINA WEEKLY REVIEW

Formerly Millard's Review

Cable Address "REVIEWING SHANGHAI"

PUBLISHED AT NO. 160 AVENUE EDWARD VII, SHANGHAI, CHINA, BY MILLARD PUBLISHING COMPANY, INCORPORATED BY THE LAWS OF THE STATE OF DELAWARE, UNITED STATES OF AMERICA.

J. B. POWELL, Editor and Publisher; GEO. W. MISSEMER Asst. Editor; TRYPHON V. KU, Advertising Dept.; F. K. CHAO, Business Dept.

YEARLY SUBSCRIPTION, FIFTY-TWO ISSUES, TWELVE DOLLARS (CHINESE CURRENCY) IN ADVANCE, POSTAGE INCLUDED IN CHINA AND JAPAN. IN THE UNITED STATES AND FOREIGN COUNTRIES EIGHT DOLLARS U.S. CURRENCY. REMITTANCES FROM OTHER COUNTRIES THAN CHINA AND THE U.S. CAN BE MADE BY INTERNATIONAL MONEY ORDER. ENTERED AS SECOND-CLASS MATTER IN THE CHINESE POST OFFICE AT SHANGHAI IN MAY 1917.

Contents

Editorial Paragraphs

Dr. Wang Chung-hui's Appointment and the Future Outlook 41
Mr. Townsend "Answers" His "Ways That Are Dark" 43
Another Tokyo Writer Sees America Departing from the Orient 43

Special Articles

International Co-operation Stressed by Wang Chung-hui; Sato Sees Need of Revising China Policy 47
Possibility of Kuomintang-Communist Co-operation.....By C. J. Wang 51
Foreign Traders in North China Look Forward to Period of Prosperity, Despite Smuggling..... By Marcus Mervine 53
The New National Army in China's Defense Plans .....By Haldore Hanson 56
Front Populaire in China..... By Chien Tsen Hai 60
Extradition of Chinese, Said to Be Koreans, to Japanese Headquarters Strongly Opposed..... By C. Y. W. Meng 62
Geopolitique and the Future Expansion of Japan .....By Dietrich Husemann 70
Who's Who in China 75
Men and Events 76
New Books of Interest in the Far East..... 78

CONTENTS OF PREVIOUS ISSUES OF THE CHINA WEEKLY REVIEW MAY BE FOUND IN THE "INTERNATIONAL INDEX TO PERIODICALS," COPIES OF WHICH ARE ON FILE IN MOST STANDARD LIBRARIES.

COMMUNICATIONS PERTAINING TO SUBSCRIPTIONS OR ADVERTISING IN CHINA OR ABROAD SHOULD BE ADDRESSED TO THE CHINA WEEKLY REVIEW AT 160 AVENUE EDWARD VII, SHANGHAI, CHINA, TELEPHONE 14741. CABLE ADDRESS "REVIEWING SHANGHAI."

DR. WANG CHUNG-HUI'S APPOINTMENT AND THE FUTURE OUTLOOK

ACCORDING to the official *Central News* the initial task of Dr. Wang Chung-hui, Foreign Minister, will be to "revise obsolete agreements and abolish unequal treaties." Negotiations in this regard will be systematically arranged with the foreign countries concerned. In addition the new Minister will be instructed to carry on the readjustment of Sino-Foreign relations which was decided upon at the recent meeting of the Central Executive Committee of the Kuomintang Party.

The report in *Central News* suggested that Dr. Wang's duties will be two-fold, revision of unequal treaties with the Occidental Powers and re-establishment of normal relations with Japan. The suggestion regarding the revision of the old treaties was of special interest because the issue of treaty revision, meaning abolition of exterritoriality, has been in abeyance since Dr. C. T. Wang held the office of Foreign Minister (1928-1931). Had it not been for Japan's violation of the Nine-Power Treaty and military occupation of China's northeastern provinces in 1931, Dr. Wang might have solved the so-called "unequal treaty" problem at that time. Most of the smaller European, Central and South American countries, had agreed to revise their treaties in accordance with China's wishes—"when the major Powers represented at the Washington Conference took similar action." This meant that the final solution of the question rested upon the decisions of Britain, United States, France, Italy and Japan. It was generally known that several plans for the gradual relinquishment of foreign consular jurisdiction were being studied and the posibility existed that an agreement might have been reached when the Japanese upset everything by taking armed action in Manchuria. Dr. Wang's strenuous campaign for the abolition of exterritoriality may have had something to do with the decision of the Japanese military clique to take action in Manchuria as a means of blocking the growing nationalism of China, but it could not have been an important element because the Japanese never had taken much interest in this

question. The spokesman of the Tokyo Foreign Office recently stated that Japan might regard sympathetically China's desire to abolish exterritorialty, but this statement was quickly neutralized by the *Domei* message of March 9 declaring that China's insistence on the abolition of the East Hopei "Autonomous" Government and the Hopei-Chahar Political Council and China's disregard of so-called "special conditions" existing in areas adjoining Manchukuo "would cause the failure of any new negotiations."

This was Japan's way of notifying Dr. Wang Chung-hui that while Japan might be willing to trade the abolition of exterritoriality for something Japan really wanted, there could not be, in any case, any interference with the political economic and administrative set-up which the Japanese Army has illegally established in North China. The Japanese papers also devoted major space to discussions pertaining to the Kuomintang's recent action on the communist issue, pointing out that this question is not a purely domestic issue for China to settle, but is something for Japan and China to settle "in cooperation," meaning a military alliance which would put the Japanese (and German Nazis) in control of the Chinese army in preparation for war on the Soviet Union.

The recently concluded German-Japanese military alliance and imminent prospect of Mussolini's adherence to the secret pact have created a special problem for China, but the increasing seriousness of conditions in Europe will probably keep Germany and Italy occupied in that sphere for a long time to come. While war in Europe would create fresh problems for China it would, on the other hand, facilitate the accomplishment of one of China's major objectives, the abolition of exterritoriality. The World War caused Russia, Germany, Austria and a number of other European state to lose their "special rights", and quite recently China assumed jurisdiction over the citizens of Spain, a direct result of the civil war prevailing in that unfortunate country.

Dr. Wang's long experience at the Permanent Court of International Justice at The Hague will be of material help in dealing with European problems which are certain to become more pressing at Nanking as the situation in Europe becomes more acute. In an interview several months ago Dr. Wang referred to the rapid revival of the old policy of alliances and the ancient tendency of nations to form themselves into groups, definite evidence of the growing weakness of the League of Nations. No one realizes more than Dr. Wang that conditions in Europe are probably worse than they were prior to 1914 and that the only thing which carries weight in world influence today is armed strength. Prior to the World War the seemingly sincere efforts of Kaiser, Czar and other rulers to promote universal peace indicated the existence of moral influences, but any present-day dictator who would give consideration to moral forces would be put down as a weakling and object of ridicule by his militant followers. The fact that both Hitler and Mussolini have announced national programs for the acquisition of colonies and that these two dictators have recently entered into an alliance with the predatory warlords of Japan has created unexpected problems for Nanking.

But fortunately Dr. Wang will be able to face these problems as the head of the diplomatic department of a united nation and a nation which has managed to greatly increase its strength in the face of seemingly insurmountable obstacles. While there has been tremendous construction of roads, railways and means of communication and great development of military power, the most important development has been in the intelligence and spirit of the Chinese people.

Dr. Wang has long been regarded as one of China's outstanding jurists. He received the degree of D.C.L. from Yale in 1904 and while a student in the United States won national notice in legal circles by translating the German civil code into the English language, an accomplishment which won him the position of co-editor of the *Journal* of the American Bar Association. Following his graduation in America he continued his studies in jurisprudence and international law in Europe, chiefly in Britain, Germany and France. He returned to partcipate in the first revolution in 1911 and served as first Foreign Minister in the original Nanking Government in 1912. Later he became Minister of Justice in the republican government at Peking, president of the codification commission, Chief Justice, delegate to numerous international conferences, etc. He was appointed to the Hague Court in 1930 from which position he resigned to return to China last year. Dr. Wang was born at Canton in 1882, studied at Peiyang University in Tientsin and for a brief period in 1900 investigated political conditions in Japan prior to his departure for the United States where he entered Yale and from which institution he was graduated in 1904.

Magnificent Jade Exhibit on Display at the Sun Company in Shanghai

On display at the Sun Company, Shanghai, until March 15 are a number of jade and other objets d'art. The collection, which is destined for the Chinese Room at the International Exposition at Paris this year, contains hundreds of examples of the jade carver's art, culminating in the Green Jade pagoda, one of the most remarkable works of art in existence. The pagoda is a seven-story structure, of many separate pieces, resting on a cloisonne base, which is in turn placed on an altar of black-wood surrounded by grilled jade balustrades. Outstanding among the other pieces are two exquisite deep green jade screens.

MR. TOWNSEND "ANSWERS" HIS "WAYS THAT ARE DARK"

HAVING described what is wrong with China in his entrancing "Ways That Are Dark", Ralph Townsend has now turned his attention to his native heaths in "Asia Answers".

Townsend came to the Far East in 1932 and served in a minor capacity in the American consulates at Shanghai and Amoy for a few months, following which he resigned and wrote "Ways That Are Dark," a book which served the double purpose of attacking American traditional policy in the Far East and proving, to his own satisfaction at least, that the Chinese are inferior human beings and should be handed over to the Japanese to civilize.

His latest book is obviously misnamed as he is so eager to prove that anti-Nipponism in the United States is due to the sinister activities of the Comintern that he almost forgets to deal with Asia. But whatever little there is will commend itself dearly to Tokyo empire-builders. Declares Mr. Townsend:

"Except for such fictional notions of self-government, nationalism, and what not as they have got from us—and which have never been realized by them—few Chinese today would be terrifically disturbed by Japan's advance... China's predicament regarding Japan is an almost invariable development where a civilized country stands adjacent to one in turmoil. Banditry and other lawlessness, plus anti-foreignism for politics' sake, in the turbulent area, will invite conquest as the price of peace for the orderly population... In a humanitarian sense (the Japanese) have done Chinese under their management a good turn, and I believe most Chinese in Manchuokuo realize this, though a few educated Chinese who feel a twinge of patriotism and a few racketeer Chinese officials, whost looting grounds have been encroached upon, dissent...

"So long as we do not desire sovietism, we may as well recognize that in Asia today Japan, staunch opponent of Moscow, is fighting the white man's battle... Japan is a usefully stabilizing force in a wilderness of chaos. Japan is Asia's only front-rank beacon of civilization and progress at this time. If Japan went down in defeat, all civilization would ultimately suffer... We may keep in mind that much anti-Japanese publicity has proceeded from elements in America who know that in territory taken by Japan, communism will have no chance. We have publicity from various other sources, but that from pro-soviet sources, generally disguised, has been the most vigorous, and has agitated millions of Americans who are not themselves pro-red."

Washington diplomacy, Mr. Townsend asserts, is formulated by the State Department's "clipping squad", which clips newspapers to learn what the papers want, and which acts accordingly. The interests of Japan and the United States, he declares, are complementary, not opposing. Therefore, the present anti-Japanese sentiment must be attributed to the active propaganda of Moscow-directed pacifist-liberal organizations and Jews, who have always opposed autocracy as a principle. Under the influence of these forces, America's Asiatic policy has been in contrast to the policy of Japan, which wants nothing but friendship with the United States.

The book might appeal to readers at home, who do not know that in civilized Japan starving parents sell their daughters to brothels; that the country is governed by the military, whose sole aim is to prepare Japan for war against a foe not yet chosen; that Japan cannot afford to spend Y.200,000,000 for her impoverished peasantry, while she spends seven times that much for war preparations; that the drug traffic and smuggling in North China are protected by the Japanese Army; and that Japan, as Townsend describes her, might one not very distant day go up in the smoke of a fascist or a peasant revolt. But the readers here will discount Mr. Townsend's arguments, if only for their striking resemblance to theories advanced by the Tokyo Foreign and War Office. The book is not recommended, except for those who are collecting pro-Japanese materials against the "day" when the inevitable blow-up occurs.*

*Ralph Townsend's "Asia Answers" was published by G. P. Putnam's Sons, N. Y.

Another Tokyo Writer Sees America Departing From the Orient

SEVERAL months ago *The Review* reprinted an interview with an American formerly engaged in newspaper work in the Far East who forecasted the early withdrawal of Americans from participation in the trade of China due to the unprofitableness of said trade. Pointing to the figure, U.S. $40,000,000, which represented the worth of American goods sold in China, he argued that any profit which American merchants may have derived from this trade was more than absorbed in the cost of maintaining American naval and army forces in China for the purpose of protecting American businessmen and diplomats. He claimed that the United States as a nation had not made a dollar out of its trade with China in a period of a half century and the prospects were no better for the next half century.

The man who made the foregoing statement was Frederick Moore, for many years an employee of the Japanese Foreign Office either as an adviser in Tokyo or connected with the Japanese Embassy in Washington.

Now comes another writer with a similar gloomy forecast for Americans in China, the latest spokesman being Willard De Mille Price, Canadian-born American journalist, who also resides in Tokyo. Writing in the February *Asia Magazine*, Mr. Price stated that America was "retiring from the Orient—ungracefully and with many a regretful backward glance at the Philippines and tripping over Guam, and also getting her fingers caught in the closing door of China."

He said it was not surprising that America's retreat from the Orient should be unwilling, ungainly and unpleasant because it represented a forced "about-turn" after a hundred years of forward march. It amounted to a great renunciation; no turning point in American history had

been of greater significance and none required more sober consideration or more freedom from heat and prejudice.

The discussions in Congress pertaining to the Neutrality Bill, now in process of enactment in the House of Representatives, indicate that fundamental changes are pending with respect to American foreign policy in the Orient as well as elsewhere. What those changes will be no one can forecast now, but there is undoubted significance in the fact that most of these ominous reports about America's "withdrawal" from the Orient, originate in Tokyo. But more on that point later.

None will dispute significant historical facts in the introduction to Mr. Price's article that it was the influence of the early American trade contact with China which led to the settlement, colonization and Americanization of the U.S. West Coast. Had it not been for the lure of the China trade the West Coast—Washington, Oregon and California and perhaps far inland—would today belong to Russia, Britain or Mexico. John Jacob Astor, who established the first American settlement on the Pacific Coast (Astoria, 1811) declared that his object was to "conduct trade across the continent... and from thence to Canton, in China." It was the custom of the early East Coast traders with their clipper ships to cruise around Cape Horn and up the western coast of South and Central America to the West Coast, California, Oregon and Washington where they traded with the Indians and obtained further cargoes for the China trade. It was in this manner that citizens of the East Coast learned of California, the granaries of Oregon and the forests of Washington. They heard about the importance of these territories from the China traders and it was in this way that interest was aroused in the western shores of the North American continent. Daniel Webster argued that California should be acquired in the interest of Pacific trade. Secretary of State Seward declared that "the Pacific Ocean, its shore, its islands, and the vast regions beyond, will become the chief theater of events in the world's great hereafter." It was due to his influence that the great territory of Alaska was acquired from Russia (Aug. 1, 1868 for G.$7,-200,000).

Later Hawaii, Samoa and Guam came under the American flag and still later the Philippines.

But now, according to Mr. Price, although Asia had much to do with the expansion of the United States west of the Rocky Mountains, there is nothing for Americans to do but pack up and get out. To quote from Mr. Price, "the young man who was historically urged (by Benjamin Franklin) to go west, is now being put on a boat and sent home." He quoted the Peiping manager of an American bank as declaring that there was nothing for America to do but get out—it was not worth a war to remain!

The writer of the article in *Asia* declared that Japan had flatly invited the other Powers to leave China to Japan, "and got away with it." There had been no serious protest from any quarter and now there is serious talk in Washington—according to Writer Price—of withdrawing American troops from Peiping and Tientsin "if the Japanese set up a stable government in North China." He then added his own comment that there would be no point in American troops remaining as their presence would only be a cause of friction... "so it is more than probable that the American fighting man will be called home, and the old thoroughfare of Hatamen will never ring again to the cheerful marching chorus of the U.S. Marines.

Space is insufficient for a complete reprint of Mr. Price's article but from this point his statements, in all probability, will arouse violent argument because he takes up the old Japanese propaganda that America never made a dollar out of China; that American investments in China are only one percent of our total foreign investment and our trade with China amounts to less than four percent of the total American trade; that there are not more than 7,000 Americans resident in China and Manchuria; that little Belgium today, remote from the Pacific has more economic interest in China than we have and the same goes for France. Britain's investment in China is six times ours. Then followed the old refrain about the cost of maintaining military and naval forces in China and in the Pacific, "which has eaten up the profits." He declared that it probably could be demonstrated that America's trade with China had been a heavy loss... "if we took into account the millions which have been poured out, and are still being poured out, for the strengthening of our naval power in the Pacific."

Mr. Price then made the remarkable statement that the stationing of the American fleet in the Pacific and the strengthening of the fleet was not because of the fear that Japan "would come over and attack our West Coast," but purely for the protection of our rights in the Far East. Despite our "disavowal" of the Philippines and our lack of interests in the Netherlands East Indies or Australia... "we are maintaining the huge inverted costly pyramid of our Pacific naval building... to protect our China trade... Dollars are being spent to earn pennies." And again the old and familiar refrain, "our trade with Japan is important, three times as great as that with China; but we obviously do not need a fleet to protect it; since there is no conflict of interests involved."

Indeed, no American conflict of interest with Japan making it necessary for the United States to maintain a strengthened fleet in the Pacific! One might have expected such a statement from a Frederick Moore, a George Bronson Rea or

from Eiji Amau, enunciator of the "Hand's off Asia" doctrine, but rather startling in a magazine of the usually high character and impartiality of *Asia*. Writer Price admitted that one "boiled with indignation and longed for armed force in the name of justice as he watched the Japanese smugglers at work in Tientsin... but Japan (of course) disavowed any official part in the campaign which is inundating China with smuggled Japanese goods... but, even without the aid of the smuggler, Japan must win... No other nation can seriously hope to compete with her in China trade... Cultural affinity, geographical affinity, and the affinity of poverty all make an economic Sino-Japanese combination inevitable."

Then still more of the refrain—which might have been clipped from the pages of *The Far Eastern Review*—that peace and order, created by Japanese bayonets, "usually means American business. Our trade with Japan proper has become of vital importance... Our exports to Korea are now twenty-five times as great as in 1903, the year before Japan assumed control... Manchukuo has abrogated its early promise to maintain the open door, yet, in spite of such abrogation, American trade has doubled since 1931..."

Strange words from a writer whose record in *Who's Who* discloses that a considerable portion of his life was devoted to literary activities concerned with Christian mssionary work. Can it be possible that pacifism has degenerated to a point where its advocates would advise Americans to close their eyes to everything, except that American trade has increased in territories which have come under the influence of the Imperial Japanese Army. Following that thought to its logical conclusion would cause Americans to finance and arm Japan so that the beneficence of Nipponese influence might be extended to the whole world!

In conclusion, this American writer who resides in Tokyo and in consequence apparently derives much intellectual inspiration from Japanese sources, alleged that Americans were divided on the issues involved in the "withdrawal" from Asia. And how are they divided? One wonders where he obtained his information because he asserted that the Americans are divided between the citizenry and the fighting services. In other words he alleged it was difficult to find any intelligent American citizen "who sees any good reason why we should fight Japan, or pour millions into preparation for defense against Japan." He claimed that the American *citizen's* belligerence "stops at Hawaii and it appears that he (the average citizen) sympathizes with the Navy's intention to make Hawaii a Pacific Gibraltar... if we stay behind Hawaii and mind our own business... it is hard to imagine any more likelihood of our being attacked by Japan than of our being attacked by Canada."

One wonders if Mr. Price ever spent any time in California or talked to any of the leaders of that important state on the Japanese issue, and the importance of keeping the U.S. Fleet in the Pacific. Had President Roosevelt not stationed the fleet in the Pacific following Japan's violation of the Nine-Power Treaty, seizure of the Manchurian provinces, and kept it there up to and following Japan's abrogation of the Washington Naval Treaty, it is more than likely that the Pacific Coast would have switched to Landon in the last election. Having defeated one outright Japanese colonization movement, the sensitive Californians,—and also the citizens of other western states, are taking no further chances on the Japanese menace.

Writer Price then charged the American Navy with an ambition to advance beyond Hawaii, quoting a recent statement of a high naval official regarding the fortification of Guam. He (Price) said that Japan could, "at any time, take over Guam as a princely gift from American taxpayers" —and he should know because, if we remember correctly, he recently made a tour of the Japanese mandated islands and published a report absolving the Japanese of any intention of fortifying same, despite statements to the contrary by American naval officers and officials of the League of Nations. In his final paragraph Mr. Price told the readers of *Asia* that America could not push into the Orient without war; hence if we must push in, let us have war and no nonsense about it: repossess the Philippines, whip Japan, take over the guidance of China! In his last sentence he asserted that Americans might have better use for their billions of fleet money "than employing them in entangling ourselves in the broils of Asia; if we think that on the whole it is to our best interest to retire—let us retire gracefully."

Nanking Foreign Office Prevented Writers' Trip to Sian

A contemplated trip to Sian, capital of Shensi by a number of foreign editors and correspondents of American and British papers was blocked by the Nanking Ministry of Foreign Affairs this week. Those invited to take the trip included Edwin Haward, Editor of the *North-China Daily News*; Randall Gould, Editor of *The Evening Post*; J. B. Powell, correspondent *Chicago Tribune*; Victor Keen, correspondent for the New York *Herald Tribune*; John Morris, director of *United Press Bureau*; A. T. Steele, correspondent at Nanking for *New York Times*.

According to the arrangements, which were made by Miss Agnes Smedley, an American woman who serves as an adviser to the former Chinese red leaders, the foreign writers were to proceed to Sian in two groups and then were to be conducted by motor truck to the red headquarters in northern Shensi.

However, the Foreign Ministry at Nanking refused to issue visaes to those planning the journey and telegraphed to Shanghai urging the correspondents not to go, despite the fact they had purchased their tickets over the Eurasia airline. One of the correspondents who attempted to disregard Nanking's instructions and board the Eurasia plane at the Lunghwa airfield on Tuesday morning, March 9, was forcibly prevented from boarding the plane by armed Chinese police stationed at the airdrome.

It was pointed out that since a number of American missionaries have returned to Sian conditions in that area were supposed to have returned to normal, but the local Chinese police merely stated that they had instructions from Nanking to prevent the correspondents from making the trip.

JAPAN'S WHITE RUSSIAN CONTINGENT IN MANCHURIA

This picture of a recently organized White Russian contingent in Manchuria appeared in *The Chicago Tribune* on Jan. 24 with a statement that it was being trained by the Japanese for service against the Soviets. It was claimed all members of the contingent are emigrees of the old Czarist regime. The picture was taken by N. Rachinsky.

Restriction on Entry of White Russians into China Planned by Nanking

White Russians in China, who constitute the largest single European group in the Far East, are to have their movements restricted henceforth Drastic restrictions on immigration into China Proper and closer control of Russians living here are imminent, according to an article by Philip King in the Shanghai *Evening Post*.

First step in instrumenting this policy of closer scrutiny over Russian affairs has been the recent reorganization of the United Russian Public Organizations, known as the Sora, by order of the Chinese government. The Sora will henceforth by recognized as an official representative organization of all Russians living in China, according to P. T. Tsao, a director of the People's Training and Movement Department of the local Kuomintang Headquarters.

Mr. Tsao revealed that the Sora was closed down eight months ago by Nanking, a fact unknown to the majority of the 25,000 Russians resident in Shanghai.

For three months, from last July to October, Russians in China theoretically had no official representative organization, as the Russian Immigrants Committee was not registered in Nanking until November.

The Sora and the Immigrants Committee, rival organizations which have never enjoyed the best of relations, have both been reorganized through a decision reached by the Chinese authorities, and hereafter the government will deal with Russian problems through them exclusively.

Russian Diplomats in Far East to Confer at Moscow

The diplomatic representatives of Soviet Russia in Asiatic countries will shortly be summoned to a conference in Moscow which will be held under the presidency of Foreign Commissar Litvinoff. It is declared that all current foreign political problems of Soviet Russia will be exhaustively discussed at the conference at which Litvinoff will issue directions regarding the policy which is to be pursued by Soviet diplomatic representatives in Asia. Those attending the conference will be the Ambassador in Ankara, the Ambassador in Tokyo, the Minister to Afghanistan, the Envoy to Outer Mongolia, and the Minister to Iran.

Japanese Irked Over Soviet Refusal to Grant Visa

Japanese Foreign Office circles were described in the vernacular press Mar. 9 as being indignant over the refusal of the Soviet authorities to grant a visa to a consular official ordered to Moscow. Coming on top of a series of allegedly oppressive measures adopted by the Moscow authorities against Japanese within the Soviet Union, the dispute may have serious repercussions, according to the Tokyo newspapers.

Diplomatic experts were quoted as saying that while states were known to have refused to accept the appointment of a minister or an ambassador, the refusal to allow a diplomatic official of a lower rank to enter a country was "without precedent."

Allegedly discriminatory measures taken against Japanese in Russia, the press said, include the arbitrary arrest of Japanese nationals in Vladivostok; the forcible closure of a Japanese shipping agency in the same port; the arrest of Soviet citizens employed by the Japanese Embassy in Moscow and the failure to deliver Japanese newspapers to Japanese consulates in the Union.

The consular official, the newspaper accounts stated, was granted a Soviet visa when he was detailed to Petropavlosk in Kamchatka last autumn. In refusing a visa at this time, the Russian authorities claim that the official frequented "undesirable characters" while he was serving with the Japanese Consulate-General in Harbin. This is interpreted by the newspapers as referring to his mingling with "white" Russians in connection with his official duties in the Manchurian city.

Russian Communist Party to Be Democratized

A resolution tending to democratize the whole structure of the Rusisan Communist Party was adopted at a plenary session in Moscow Mar. 6 of the Central Executive Committee. It was decided that while adopting the leading role during the forthcoming elections for the Supreme Council established under the new constitution, the party must bring itself into line with democratic practice. As a result, individual members will be called on to make a freer use of their right to criticize. Candidates for membership of all parties and committees will henceforward be elected by secret ballot instead of being co-opted. A newly-created parliament, consisting of two chambers, the lower house and the upper house, is one of the main features of the new Soviet constitution.

Russian Communist Party Ousts Two More Leaders

The Communist Party of the U.S.S.R. Mar. 5 expelled Alexis Rykov, former Premier of the Soviet Union, and Nicholas Bukharin, former editor of *Izvestia*, who with Michael Tomsky had headed the rightist opposition group.

Nine managing editors and 62 other editors of Soviet Russian provincial papers were dismissed from their posts during the last three months of 1936 ostensibly because of "ignorance regarding political affairs."

Nanking to Restrict Operations of Broadcasting Stations

Acting upon the petition of the Ministry of Communications, the Executive Yuan has issued a circular order to all provincial governments prohibiting the operation of provincial broadcasting stations which exceed 1,000 watts in the future. This action is taken as a precautionary measure against interference with other stations. The enforcement of the new ruling, it is explained, will facilitate the allotment of wave lengths by the Ministry of future stations.

Sino-Canadian Radio Service Being Discussed

Negotiations are now under way between China and Canada for the inauguration of a Sino-Canadian radio service in the near future, it was learned from the Ministry of Communications Mar. 8.

Shanghai-Osaka Radio Service Formally Opened Mar. 8

The Shanghai-Osaka radio telegraph service was formally opened to the public Mar. 8. Henceforth messages between China and Japan will be transmitted via Osaka. Since the inauguration of the Shanghai-Tokyo radio service in June, 1934, business has been thriving on the line. However, in view of the fact that Osaka is the commercial nerve-centre of Japan, the need of establishing a direct line to Osaka was felt, and the new service is the result.

International Co-operation Stressed by Wang Chung-hui; Sato Sees Need of Revising China Policy

HIGH LIGHTS IN THE EVENTS OF THE WEEK:

1. **Dr. Wang Chung-hui, New Foreign Minister, Issues Statement of Policy.**
2. **Dr. C. T. Wang Asks For Adequate Funds for China's Diplomatic Service,**
3. **Wang Chang-wei Urges Enforcement of Kuomintang Resolutions.**
4. **Hsu Shih-yin Returns, Believes National Unity Is Now Certainty.**
5. **Sato Sees Need of Re-orientation of China Policy, Equality Stressed.**
6. **Kawagoe Interviews General Chiang, Red-Kuomintang Co-operation Denied.**
7. **Generals Sung Cheh-yuan and Han Fu-chu Meet on Shantung Border.**
8. **Retirement of Red Leaders Foreshadowed in Kuomintang-Communist Talks.**
9. **Transfer of Northwestern Troops to Central China Now Proceeding Apace.**
10. **General Chiang Flies to Kuling for Rest After Brief Visit in Shanghai.**
11. **Chang Hsueh-liang Plans Indefinite Stay in Generalissimo's Home Village.**
12. **Hsu Yung-chang, Ex-Shansi Chairman, Appointed to High Post in Nanking.**

Dr. Wang Chung-hui, Minister of Foreign Affairs, assumed his duties at the Waichiaopu at 10.15 a.m. March 8. He was conducted to the Foreign Office by Hsu Mo and Chen Chieh, Vice-Ministers. Dr. Wang addressed the staff and later received the high officials of the Ministry in his office.

Two important new appointments were made by Dr. Wang immediately after his assumption of office. Hsieh Wei-lin was appointed Senior Secretary and Hsu Kung-su Director of Department of General Affairs, which was concurrently held by Chen Chieh, Vice-Minister of Foreign Affairs. Mr. Hsieh was at different times secretary to the Chinese Legations in Italy, the Netherlands and France.

Dr. Wang, at his first press reception at 5 p.m. Mar. 8, issued the following statement:

"With interests closely intertwined, nations in this modern world are living in far greater interdependence than ever before. It is only through mutual cooperation that world prosperity could be attained and international peace assured. Since international cooperation in the last analysis depends on the friendly feelings between peoples, it is of the greatest importance that anything which may militate against such friendly feelings should be removed or prevented. For all forms of international cooperation presuppose a desire on the part of the people concerned to work together for mutual benefit, and such desire is born when a spirit of goodwill and cordiality exists between them. Only in this way will any effort for international cooperation be crowned with success. The foreign policy of China has on various occasions been clearly stated by the Government and by the president of the Executive Yuan, Gen. Chiang Kai-shek. Its fundamental principles are the maintenance of the integrity of China's territory and sovereign rights, and the conduct of international relations on the basis of equality and reciprocity. Under the guidance of these principles, all possible efforts will be made, in an atmosphere of peace, to further international comity and friendship. Political understandings and economic co-operation, if they are to serve as the means of consolidating the relations between nations, must be based on the principle of mutual benefit. Such has been the fixed policy of the Chinese Government, which is in harmony with rational diplomacy. In accepting the portfolio of Foreign Affairs, I am fully conscious of the heavy responsibility that attaches to it. Guided by the fixed policy of the Government and the principles of international justice, I shall endeavour, in strict accordance with diplomatic usage, to secure the realisation of the aspirations of the Chinese Government and the development through international co-operation of the relations between China and foreign powers to the benefit of all concerned."

The task of the new Foreign Minister, Dr. Wang Chung-hui, will be the shaping of a definite and concrete foreign policy, particularly with regard to the revision of obsolete agreements and the abolition of unequal treaties says a *Central News* report. Negotiations for the revision of obsolete agreements and for the abolition of unequal treaties, it is learned, will be systematically arranged with the foreign countries concerned. The outline regarding the readjustment of Sino-Foreign relations, which was adopted by the Third Plenary Session of the Fifth Central Executive Committee of the Kuomintang last month, has now been forwarded by the National Government to the Executive Yuan. It is believed that the Waichiaopu will be instructed to carry out the decision in this regard accordingly.

Dr. Wang Chung-hui and Gen. Yu Fei-peng will be sworn into office as Ministers of Foreign Affairs and Communications respectively at the weekly memorial service at the National Government March 15. Other officials who will be inducted on the same day will be Liu Chi-wen, Vice-Minister of Audits, Tung Kuan-hsien and Wang Hsin-lin, supervisory members of the Control Yuan.

According to *Ta Kung Pao*, Dr. Wang will change three Chinese Ambassadors in foreign countries. Later, the new Minister will try to strengthen the organization and increase the efficiency of the Chinese embassies and legations in foreign countries. It is further reported that a number of legations in small countries will be samalgamated.

Three new diplomatic appointments were made by the Executive Yuan March 9. Kung An-ching was named first secretary to the Chinese Legation at Copenhagen and Liu Yun-fang, second secretary to the Chinese Embassy at Washington. Shou Hsi-min was named consul at Palembang, Sumatra. Lao Wei-hsiu, first secretary to the Chinese Embassy at Washington, has been recalled.

CENTER OF CHINESE DIPLOMANCY SEEN SHIFTING TO WEST

From seeking a readjustment of her relations with Japan, China will from now on strive to entertain closer diplomatic contracts with the West, the *Shanghai Mainichi* declared March 4 commenting on the appointment of Dr. Wang Chung-hui as Foreign Minister. This change, the newspaper remarked, did not signify that Dr. Wang would launch on an anti-Japanese campaign or that be would seek to depend principally upon the support of America and Europe. Dr. Wang, the daily said, "probably will seek to avoid, as much as possible, troublesome negotiations with Japan, thus shifting the center of Chinese diplomacy from Tokyo to other countries."

A mixed reception was accorded in Tokyo to the statement of Dr. Wang Chung-hui, new Chinese Minister of Foreign Affairs, which was extensively reported in all the Tokyo morning papers. Commenting on the subject, the "*Asahi*" declared that Dr. Wang's statement assumed special significance when viewed side by side with Premier Hayashi's speech in the Diet two weeks ago and also Naotake Sato's speech in the House of Peers March 8. The present moment, asserted the journal, is particularly propitious for the two new Foreign Ministers to study each other's stand, to bring about a real rapprochement between the two countries, and to contribute to the peace and stability of the Far East.

While entertaining high hopes for Dr. Wang Chung-hui as Minister of Foreign Affairs, the *Ta Kung Pao* in an editorial March 4 opined that the Chinese public should not attach too much importance to the change in the Waichiaopu portfolio. In the first place, the paper explained, although the Minister of Foreign Affairs is changed, the foreign policy of China will remain unchanged. Secondly, the journal continued, the foreign policies of a country should be of a continuous nature based on the actual conditions within the country and the situation on the international front, which are not subject to constant changes. The paper recalled China's stiffened attitude in her relations with foreign countries last year, which, it said, was mainly due to the improvement of the conditions in the country and not because of the efforts of the Foreign Minister alone. In view of the above, the paper maintained, the Chinese people should not pay too much attention to the ability of a new Foreign Minister, but rather to the efforts in the consolidation of the country's newly-achieved unification.

C. T. WANG ASKS FOR ADEQUATE FUNDS FOR DIPLOMATIC SERVICE

Appropriations for the support of Chinese diplomatic establishments abroad are far too inadequate for the maintenance of the dignity attached to the service, Dr. C. T. Wang, Ambassador—designate to the United States, declared in the course of an interview with *The China Press* March 3. As a result of the lack of funds, he elaborated, Chinese diplomatic officials are often handicapped in the discharge of various duties which the Chinese Government and people expect them to carry out. In addition, the veteran diplomat pointed out, the inadequate appropriations often make it impossible for qualified career men, who do not have their own means, to accept diplomatic posts. In bringing these points to the attention of the public, Dr. Wang said, he is not thinking of himself, but rather of the interest of the entire Chinese diplomatic service. During the Third Plenary Session of the Central Executive Committee of the Kuomintang, Dr. Wang recalled, he presented a proposal advocating an increase in the appropriations, for diplomatic establishments. This proposal adopted by the C.E.C., was transferred to the Central Political Council for action. One of the reasons responsible for the insufficient funds for Chinese envoys and consuls, Dr. Wang explained, is the exchange rate. A post

with an appropriation of $28,000 National Currency a year, for instance, would only be U.S. $9,000 a year according to the present exchange rate. "I know many Chinese diplomats," Dr. Wang said, "who had to spend their own money to maintain the dignity of the embassies and who had to resign later and come home broke." The Chinese diplomatic service, he concluded, need considerable strengthening in order to accomplish the missions which it is charged to carry out. Explaining his delay in proceeding to Washington, Dr. Wang said that the chief reason is because of the ill-health of his 85-year old mother. The Ambassador-designate is waiting for his mother's condition to improve before making a definite decision regarding the date of his departure.

WANG CHING-WEI URGES PROMPT ENFORCEMENT OF C.E.C. SESSION RESOLUTIONS

In view of the importance of the resolutions adopted by the recent Third Plenary Session of the Fifth Central Executive Committee of the Kuomintang, the relevant organs which have been entrusted for their execution should not revert to the old practice of having them pigeonholed, but should see to it that they are effectively carried out. So declared Wang Ching-wei, Chairman of the Central Political Council, when commenting on the significance of the proposals passed by the conference in a speech at the Central Party Headquarters March 8. Reviewing the major points touched upon in the manifesto of the Session such as China's foreign policy, convocation of the National People's Assembly, fundamental eradication of the Red menace and economic reconstruction, Mr. Wang said these were the paramount issues together with other important resolutions which were referred either to the standing committee of the Central Executive Committee, the Central Political Council and others organs in charge for their execution. What these organs should do now, Mr. Wang continued, is to devote full attention to the careful study of the contents of the resolutions and work out measures for enforcement accordingly. They should make revisions as they see fit. If they find proposals impracticable they should frankly point it out. If occasion demands, another plenary session may be convened to discuss the question over again. Pointing out that the proposals relating to Party affairs, politics and economics, etc., were drawn up following months of careful study by responsible Kuomintang comrades, Mr. Wang enjoined his listeners neither to table the resolutions nor delay their enforcement.

General Chang Chun and Tseng Chung-ming, former Vice-Minister of Railways, assumed their new posts as Secretary-General and Deputy Secretary-General of the Central Political Council, respectively March 5. General Chang arrived at Shanghai from Nanking March 8.

HSU SHIH-YING RETURNS, BELIEVES NATIONAL UNITY CERTAIN

After an absence of exactly one year, Hsu Shih-ying, Chinese Ambassador to Japan, returned to Shanghai from the Island Empire at noon March 9 aboard the *Empress of Canada*. He left for Nanking March 11 to report on his duties in Japan. In a written statement to the press Mr. Hsu declared that during his one year's stay in Japan, his duties as Chinese Ambassador had been carried out in strict accordance with the instructions and policy of the Central Government. Mr. Hsu regretted the successive occurrences of the Liang—Kwang impasse, the Chengtu, Pakhoi, Shanghai, and Hankow incidents, the invasion of Suiyuan by the "Irregulars," and the Sian mutiny. In spite of these affairs, Mr. Hsu declared, he entertained the firm belief that the National Government's great task in unifying the country will undoubtedly be realized and that the people of the whole country will rally under the guidance of the Central authorities and march forward towards the goal of rational rejuvenation. "I ma not pessimistic in this regard" Mr. Hsu said, "and I hope the people of the friendly nations will not belittle this belief." With the early liquidation of the Sian inbroglio, the loyal support of the Chinese people given to their leader and their willing cooperation have been clearly demonstrated to the world. As a result of this new spirit, according to Mr. Hsu, Japan has sounded the note for the reorientation of her China policy and for a correct understanding of this country. Citing Japan's rapid developments in the fields of commerce and industry, Mr. Hsu exhorted the Chinese people to redouble their efforts in their duties to the country in order to find a way out of the present crisis. Continuing, Mr. Hsu opined thta diplomacy must be carried out with justice and that the realization of justice in diplomacy depends on the sincerity on the part of the diplomat. While he was in Japan, he said, he fulfilled his duties on the basis of this principle.

Hsu Shih-ying

According to a close associate of Mr. Hsu, reported *Sin Wen Pao* March 9, a number of Japanese young Facists in Tokyo recently demanded a personal interview with Mr. Hsu, threatening to "put Mr. Hsu on the spot." Mr. Hsu then telephoned to Mr. Hirota, then Minister of Foreign Affairs, urging the latter to keep up the dignity of the Japanese nation. Upon receipt of the message, Mr. Hirota dispatched a number of police to the Chinese Embassy and finally succeeded in dispersing the young Facists.

SATO SEES NEED OF RE-ORIENTATION OF CHINA POLICY, EQUALITY STRESSED

Appearing before the Upper House for the first time March 8 since his assumption of office as the new Foreign Minister in the Hayashi Cabinet, Naotake Sato said that Sino-Japanese diplomatic dealings hitherto had never been conducted in an equal standing, and proposed to start anew for the fundamental readjustment of the relations between the two countries. "In the whole course of diplomatic neotiations between Japan and China, has the principle of equality and reciprocity always been upheld?" pertinently asked Mr. Sato. He said he would leave this question for the House to seek an answer. Mr. Sato proposed to throw all the past mistakes overboard, and to strike a new path, guided by the principle of equality, for restoring friendship and amity between the two nations. "While continuity is essential to the diplomatic policy of any country, the kaleidoscopic unfolding of the international situation which it has to deal with makes it imperative for any Government at their inception to examine and re-consider the course taken by their predecessors," Mr. Sato said. The new Foreign Minister then spoke of the superiority complex of the Japanese people in dealing with China as the greatest obstacle in securing a real and fundamental formula for co-operation between the two countries. China, he continued, had always minatained that Japan had not treated her equally. As long as China is not satisfied on this point, there would be little hope for Sino-Japanese negotiations to be continued satisfactorily. The fact is, Mr. Sato said, the preoccupation of the very idea of equality or non-equality should be substituted by a spirit of harmony and geniality suggested by knee to knee gossips before the warmth of the fireside. In other words, sufficient consideration must be given to China's demands and requests which are vital to her interests, while at the same time the views and standpoints of the Japanese must be painstakingly explained. Japan, said the Gaimusho head, desires to maintain a conciliatory spirit within the scope of not sacrificing her own interests. Concluding his important speech, Mr. Sato declared that it was as yet uncertain how China would response to the Japanese overture, however, if Nanking is determined to co-operate with Japan, his Government would be prepared to modify its stand in order to ensure success.

Japan's policy towards China will be reconsidered in the coming few weeks by Naotake Sato, the new Foreign Minister, *Domei* reported March 8. As a first step in this direction, *Domei* was informed, Ambassador Shigeru Kawagoe will be ordered to return to Tokyo to make a comprehensive report to Mr. Sato on the current developments in China. Mr. Kawagoe's report will be Mr. Sato's main guiding posts in reformulating Japan's attitude towards her neighbor. Mr. Sato, *Domei* learned, is sympathetic towards China's reported desire to abrogate extraterritorial rights and various so-called "unequal treaties." He, however, believes that China must regulate her judicial system before foreign powers can dispense with their extraterritorial rights.

KAWAGOE SEES CHIANG, KUOMINTANG-RED COOPERATION DENIED

According to *Shanghai Mainichi*, at the interview on March 6 between General Chiang Kai-shek and the Japanese Ambassador S. Kawagoe in Nanking, the Generalissimo was closely questioned by the Japanese envoy concerning current reports to the effect that an agreement has been reached for renewed cooperation between the Kuomintang and the Chinese Communist Party. "Rumors of such cooperation," the Generalissimo assured Mr. Kawagoe, "are absolutely false. No such cooperation will be possible unless the Communists accept the four conditions laid down by the recent Third Plenary Session of the C.E.C. of the Kuomintang." Gen. Chiang took occasion to refer to the foreign policy which would be pursued by the reorganized National Government. The fact that there was now a new foreign minister, he is reported to have said, did not imply any impending change in China's diplomacy. With the all powers, and with Japan in particular, China would continue the policy of compromise, China believes it possible to bring about a readjustment of Sino-Japanese relations and sincerely desires a settlement of all questions outstanding between the two countries.

KODAMA GIVES VIEWS ON CHINA-JAPAN ECONOMIC RELATIONS

The importance of Sino-Japanese economic rapprochement at the present turning point of the two countries' relations was stressed by Kenji Kodama, Chairman of the Japanese-Chinese Trade Federation, in an exclusive interview with a representative of the *Central News Agency* at Tokyo March 3. Describing his present mission to Shanghai as one of hand-shaking with the Chinese economic and financial leaders, Mr. Kodama was afraid that in view of the short time at his disposal, he would not be able to do much in cementing the relations of the two countries. However, he hoped

the mission of which he is the head would blaze a new path along which future economic interests of the two nations may be enhanced.

An agreement was reported to have been reached between General Sung Cheh-yuan, Chairman of the Hopei and Chahar Political Council, and General Tashiro, Commander of the Japanese Garrisons in North China, concerning a Sino-Japanese economic co-operation in the North, according to *Suiyuan Si Pei Jih Pao* Feb. 26. The terms are said as follows:

1. Japanese to have the right to construct the Tientsin-Shihchiachwang Railway.
2. The construction of a new harbor in Tangku.
3. Conservancy work on the White River (Pei Ho).
4. Exploitation of the Lungyen Iron mines.
5. Exploitation of the coal mines along the Hopei-Chahar border.
6. Augmentation of cotton planting in North China.

Sino-Japanese economic co-operation is already in full swing in North China, with the Japanese Government assisting in raising the necessary funds, Kensuke Horinouchi, Foreign Vice-Minister, disclosed March 4 in the Diet. The existing two administrations in North China, namely the East Hopei Autonomous Government and the Hopei-Chahar Political Council, Mr. Horinouchi said, came into existence "because of special circumstances in the northern provinces." The existence of administrative units willing and capable of co-operating with Japan, Manchukuo and China, he added, is "very desirable."

Declaring that economic and diplomatic relations between countries are very important, the *Shun Pao* in an editorial March 6, stated: "In some cases close economic cooperation indicates friendly relations between the two countries. In other cases, however, economic cooperation means intensification of the economic exploitation of one country by the other. Experience has taught us that such nice slogans as economic cooperation are very costly. In North China, Sino-Japanese economic cooperation has resulted in the expansion of smuggling and the conversion of our resorces into supplies of war for Japan. Economic cooperation between the United States and Cuba made it possible for the people of the United States to eat good sugar from Cuba. But Cuba received only armed intervention. With this experience, we cannot feel any optimism as regards the visit of the Japanese Economic Mission."

MME. CHIANG INVITED TO JAPAN ON WAY TO U.S.A.

Mme. Chiang Kai-shek was formally invited to visit Japan on her projected journey to the United States to receive an honorary degree of Doctor of Philosophy from Wellesley College, the Tokyo Federation of Women's Societies announced March 7. The invitation was conveyed in the form of a message of goodwill transmitted to Mme. Chiang through Mrs. Ikuko Shimidzu on March 3, the Federation said.

NANKING POLICY TO BE FOLLOWED BY HOPEI, CHAHAR, SAYS CHIN

Diplomatic affairs in Hopei and Chahar will be handled strictly in accordance with the policy of the Central Government, declared Gen. Chin Teh-chun, Mayor of Peiping who returned to Peiping March 4 from Nanking where he attended the Third Plenary Session of the Fifth Central Pxecutive Committee of the Kuomintang. When interviewed, Gen. Chin said that the Hopei-Chahar Political Council will strive to improve the relations with the friendly Powers. While in Nanking, Gen. Chin said he called on Gen. Chiang Kai-shek several times to report on the conditions in North China on behalf of Gen. Sung Cheh-yuan, chairman of the Hopei-Chahar Political Council.

In a press interview March 5, according to *Shanghai Mainichi*, Gen. Chin Teh-chun, Mayor of Peiping, declared that a settlement of the East Hopei and Hopei-Chahar problems was the prerequisite for a readjustment of Sino-Japanese relations. He said that no resolutions were submitted regarding the Hopei-Chahar regime and that the government authorities adhere to their policy of maintaining friendship with Japan while preservaing China's sovereignty and territorial integrity.

Kuo Min reports that a reorganization of the administrative machinery for Hopei and Chahar will be effected in the near future. General Sung Cheh-yuan, Chairman of the Hopei-Chahar Political Council, will shortly send a high official to the Capital shortly to receive instructions. While a veil of secrecy surrounds the question of proposed changes in the administrative machinery in the North, it is understood that the Pacification Headquarters for Hopei and Chahar, of which General Sung Cheh-yuan is concurrently Commissioner, will remain intact. The abolition of the Hopei-Chahar Political Council may raise difficulties but the various Commissions under the Committee, such as the Foreign Affairs and Economic Commissions, will be abolished since their continuance is no longer necessary. Changes will also be made in the personnel of the communications and national tax-collecting organs.

More than two hundred members of the five commissions under the Hopei-Chahar Political Council, who lost their positions last month as a result of the retrenchment policy carried out by the Council, were paid a month's salary March 3, according to a *Reuter* report. The five commissions are the condification, communications, coenomic, foreign relations and reconstruction commissions. During the last few weeks the members of these commissions have been reappointed and a number of their staffs have been discharged.

GENERALS SUNG AND HAN MEET ON SHANTUNG BORDER

General Han Fu-chu, Chairman of Shantung, and General Sung Cheh-yuan, Chairman of the Hopei-Chahar Political Council, met in Lohling on the 5th. inst., at which they had a lengthy talk on the existing situation in North China.

General Han is said to have decided to proceed to Nanking shortly to interview General Chiang Kai-shek.

An important conference was summoned in Tientsin March 6 by the notorious Yin Ju-ken of the puppet east Hopei regime regarding plans for the expansion of the Anti-Communist movement in North China. Yin recently returned from Changchun where he received instructions from the Japanese.

"Manchukuo" and the "Eastern Hopei Regime" have now exchanged "diolomatic representatives" with each other. Hsiao Shou-kong, "Manchukuo's" plenipotentiary envoy to the "Eastern Hopei Regime" is now stationed in Tungchow, while Kiang Hung-chi, former acting Chinese Ambassador to Japan, has been sent to "Manchukuo" by the Eastern Hopei Puppet Regime as envoy plenipotentiary, according to *Hwa Mei Wan Pao* March 6.

RETIREMENT OF RED LEADERS FORESHADOWED IN KUOMINTANG-COMMUNIST PEACE TALKS

The temporary retirement of Chu Teh and Mao Tse-tung, outstanding communist leaders, on the condition that they go abroad and return to China only when their services are required in event of a war against foreign aggression, and the complete reorganization of the Red Army to place it under direct control of the Military Affairs Commission in Nanking, are said to be some of the basic concrete measures discussed in Northern Shensi to carry out the Kuomintang-Communist reconciliation under the four principles set down by the Central Executive Committee of the Party now in power, according to a report in the *Shanghai Evening Post* March 5. Reports that the Communists have already accepted the Nanking terms and that Chu and Mao are going abroad shortly are declared as premature although their departure from China is eventually expected. The negotiations are still in the preliminary stage and much time will elapse before a denfiite decision is reached, it is understood. Japanese reports substantiate the earlier despatches on the negotiations now going on between the Kuomintang and the Chinese Communist Party. According to the *Shanghai Mainichi*, Chang Chung, member of the C.E.C. of the Kuomintang, recently proceeded to Fushih in Northern Shensi, which is the present seat of the Chinese Soviet Government, to conduct the negotiations. As result of the discussions, the Communists are said to have agreed to accept in principle the four conditions laid down by Nanking as the price of reconciliation. "The rapprochement," the paper continued, "which has thus been effected between Nanking and the Chinese communists has been dictated by the Soviet Union and Great Britain." The *Mainichi* also reported that the seven leaders of the All-China National Salvation Association, arrested in Shanghai in November last year, will shortly be released from the Kiangsu High Court prison in Soochow. At the recent plenary session of the Kuomintang C.E.C., the paper declared, the question of their release was under discussion and it was decided to detain the prisoners for a further brief period and then release them on the ground of "inadequate proof" of any criminal activity.

Shanghai Nichi-Nichi reported March 6 that the Communist Party has not yet accepted the four conditions laid down by the recent Third Plenary Session as the basis for cooperation between the Kuomintang and the Communists. The Communists have agreed to put an end to their propaganda and to cease their class struggle policy. They are reported, however, to be of the opinion that maintenance of their own independent organizations is essential as a guarantee that the anti-Japanese pledges of the Central Government will be honored.

That the peace between the Central Government and the Northeastern Army in Sian was attributed to the efforts of the Chinese Communists was confirmed by newspapermen who returned to Paotow from Sian, according to *Paotow Jih Pao*. It is said that from the beginning of the Sian incident the Chinese Communists have been devoting every effort to avert a civil war. Young commanders of the Northeastern Army and the 17th Route Army were most hostile to Nanking. Contrary to reports, no Chinese Communist has ever entered the city of Sian.

According to *Shanghai Nippo* March 3, the units under Sun Ming-chiu, who was the chief plotter in staging the Feb. 2 Sian muitny, in which Gen. Wang I-cheh, noted Tungpei Army Commander, was killed, are now stationed in the district of Yuenyang in Sanyuan in Western Shensi. They have been incorporated into the Red units under Pang Teh-huai.

Rumors regarding a possible conflict between the Central Government forces and the Szechwan Provincial troops in Szechwan are now gradually dying down, reported *Ta Kung Pao* March 7. Rumors of possible conflict were caused by the following factors:

1. Activities of the malcontents against the Central Government.

2. Dissatisfaction of the Szechwan people against the action of Nanking officials in Szechwan.

3. The long indisposition of General Liu Hsiang, Chairman of Szechwan.

Defense work is now being erected near Chungking by both the Central Government forces and the Provincial troops. A total of 50 regiments of Szechwan troops have evacuated the Province under the order of the Central Government.

TRANSFER OF TUNGPEI TROOPS TO CENTRAL CHINA PROCEEDING APACE

The wholesale transfer of the Northeastern troops from Central Shensi to Honan and Anhwei in accordince with the instructions of the Central Government is proceeding according to schedule. Major-General Li Chen-tang, commander of the 113th Division, flew back to Kansu March 5 to make preparations for the mobilization of his troops eastward on March 10. Gen. Yang Hu-cheng, who returned from an inspection tour to Sanyuan, called on Gen. Kuo Chu-tung, director of the Generalissimo's Provisional Headquarters at Sian and Gen. Sun Wei-ju, Chairman of Shensi, March 4 to report on his recent trip. With the conditions in Shensi returning to normal the provincial authorities are pushing the rehabilitation program.

With their transfer scheduled to be completed by the middle of this month, the ex-Tungpei troops are now moving eastward at an accelerated pace along the Lunghai Railway. Forty trains are reported to have been made available by the Lunghai Railway Administration, and every day three trains are going eastward on a specially arranged schedule in order not to disrupt the regular passenger service along the line. The five divisions of troops formerly under Chang Hsueh-liang, namely the 105th, 109th, 111th, 115th and 120th, are to be transferred to Honan while the 51st Army under Gen. Yu Hsueh-chung are destined for Anhwei with headquarters at Pengpu, along the Tientsin-Pukow Railway.

Kuo Min reports that a manifesto evidencing the sincerity of their support for the unification of the country in past year,—and pledging afresh their obedience to the Central Government, support of the leader (General Chiang Kai-shek), and realization of their original aspiration to serve the country and nation,—will be issued immediately by the rank and file of the North-aestern (Chang Hsueh-liang) troops.

Lieut..-Gen. Tan Chi-hsing, commander of the cavalry units of the North-eastern Army, recently transferred from Shensi to Hsuchang on the Peiping-Hankow Railway in Honan, arrived at Nanking by plane March 4 to report to the Central authoritise on the transfer of the troops. He conferred with Gen. Ho Ying-chin, Minister of War, on the same day.

Lieut.-General Shen Ko, Commander of the 106th Division, who arrived at Nanking March 2 from Sian, called on General Ho Ying-chin, Minister of War, March 3 to report on conditions along the Shensi-Honan border.

The military authorities in Shensi and Kansu have received a circular order from General Chiang Kai-shek, President of the Executive Yuan and Chairman of the Military Affairs Commission, instructing that their troops should not interfere with local administration, according to a *Central News* report March 9 The Generalissimo also instructed local magistrates to take orders from their respective provincial governments.

GEN. CHIANG FLIES TO KULING AFTER BRIEF VISIT IN SHANGHAI

General Chiang Kai-shek, who left Nanking March 6, arrived in Shanghai by the Cruiser "Min Sen" at 11.15 a.m. March 8. Greeted by a handful of high officials, the generalissimo landed at the Whangpoo Conservancy Board jetty. After spendjig one day here, General Chiang left for Kuling by air March 9. It is understood that General Chiang will spend a short period in Kuling to nurse his back, which still is causing some pain as result of the injury received during the Sian coup. General Chiang is said to be watching developments in Szechuen, where unrest among the Szechuen military leaders is reported. Rigid enforcement of the Nanking orders and measures for rehabilitation of the civil war-torn province, serious famine and other factors are said to have caused such dissatisfaction among the Szechuen leaders that groundless reports of plots against Nanking were circulated, particularly in Chungking.

"YOUNG MARSHAL" PLANS INDEFINITE STAY AT GENERALISSIMO'S HOME TOWN

Gen. Chang Hsueh-liang is resting quietly at Chikow, near Fenghua, the birthplace of Gen. Chiang Kai-shek, and is planning to remain there indefinitely, according to a government official who recently visited the Young Marshal. The rumors recently circulated to the effect that the Young Marshal would shortly be appointed to a new post was denied by this official, *Central News* reports.

According to a report in *Shanghai Mainichi* Mar. 6, a certain Japanese quarter has received news to the effect that Chang Hsueh-liang has recently been assassinated.

HSU YUNG-CHANG, EX-SHANSI CHAIRMAN, GIVEN HIGH POST IN NANKING

Gen. Hsu Yung-chang, formerly Chairman of Shansi, was appointed March 6 by the National Government to the post of Officer-in-Charge of the Military Affairs Commission, of which Gen. Chiang Kai-shek is Chairman. Gen. Hsu succeeds the late Gen. Chu Pei-teh, who died of blood poisoning in Nanking on the night of Feb. 17. A native of Shansi and 49 years old Gen. Hsu was graduated from the military Officers College and has during the last 20 years served in various important army posts. One of Gen. Yen Hsi-shan's trusted commanders Gen. Hsu was early last year relieved of his post as Chairman of Shansi, and was later appointed Bandit-Suppression Commander of the same province. Before he assumed the post of Shansi Chairman in 1931 Gen. Hsu had been Commander of the First Division of the Shensi Army, Commander of the Third Army of the Third Group Army of the Nationalist Forces, member of the Military Affairs Commission, Chairman of Suiyuan and Chairman of Hopei.

Hsu Yung-chang

LIU ARRIVES IN HANKOW, FACES TRIAL IN MURDER CASE

Liu Lu-yin, former Chairman of the Central Publicity Department and C.E.C. member, arrived at Hankow March 5 aboard the s.s. *Kiangan* to face the charge of complicity in the assassination of the late General Yang Yung-tai, former Chairman of Hupeh, last October. Immediately after his arrival Mr. Lu was conveyed to Wuchang where he is put in custody at the detention house of the Hupeh High Court. Pending a judicial decision, the Party rights and privileges of Mr. Liu will be suspended for a period of three months, according to a resolution of the Standing Committee of the Central Supervisory Committee at its meeting March 5.

According to a *Reuter* report from Hankow March 8, Mr. Liu will be tried in the Hupeh District Court instead of the High Court. Theaccused will not be tried in the High Court on the ground that the case is one of "ordinary murder."

KWANGSI GENERALS TO ASSUME OFFICE MARCH 15

Owing to the incompletion of the reorganization of the Kwangsi forces, Gen. Li Tsung-jen and Gen. Pai Chung-hsi, commander and deputy commander of the Fifth Route Army, respectively will assume their post on March 15, according to *Central News*.

As a result of the negotiations between the Nanking Government and Huang Hsu-chu, Chairman of Kwangsi, the views of both sides in connection with the incorporation of the Kwangsi 4th. Group Army into the Central Government forces and its reorganization have been in complete accord, reported *Shanghai Nichi-Nichi* Mar. 6. The Central Government will grant a monthly subsidy of $400,000 to the Kwangsi authorities for their military expenses. Furthermore, no Central Government men will be appointed to any posts in Kwangsi. On the other hand, the Kwangsi authorities will change the former title of the 4th Group Army to the 5th Route Army of the Central Government troops.

GEN. YU HAN-MOU VISITS HONGKONG GOVERNOR ON WAY BOCK TO CANTON

Extraordinary precautions were taken morning March 8 to safeguard the person of Gen. Yu Han-mou, Pacification Commissioner of Kwangtung, when the arrived at Hongkong from Shanghai aboard the liner *President McKinley*. Special squads of police cleared the wharf of all except the distinguished Chinese and foreign personages who had gathered to welcome him. General Yu, who is on his way to Canton from Nanking after attending the plenary session of the Central Executive Committee of the Kuomintang, crossed the harbor at 11.30 a.m. in the Governor's launch and made an official landing at Queen's Pier. A guard of honor provided by the Seaforth Highlanders, with a pipe band, was drawn up on the Pier. After inspecting the guard General Yu proceeded to Government House to call on the Governor, Sir Andrew Caldecott. Later Sir Andrew returned General Yu's call. This was the first time the two had met. General Yu returned to Canton March 9.

MAYOR WU SPENDS QUIET BIRTHDAY AT SOOCHOW, HALL IN HIS HONOR PLANNED

Gen. Wu Te-chen, Mayor of the City Government of Greater Shanghai, quietly celebrated his 50th birthday with a few close

(*Continued on page* 80)

Possibility of Kuomintang-Communist Co-operation

BY C. J. WANG (王九如)

THE dispatch stating that Chang Ch'ung, C.E.C. member and also member of that unlucky Nanking party which was held by Young Marshal Chang in Sian, went to Shenpei (Red district) to discuss matters with "certain quarters" is perhaps the first news item, appearing in the vernacular press, which may bring about a confirmation of the long-heralded Kuomintang-Communist compromise talk. Although detailed reports are still lacking, we rest assured that Mr. Chang's mission must have something to do with the resolution of the Third Plenary Session of C.E.C., concerning measures for extirpating the Red menace in China.

It must be recalled that the said resolution, moved by the Presidium, envisaged four conditions. It prepared the way for effecting the abolition of the Red Army and the dissolution of the so-called "Chinese Soviet Republic." Literally this resolution would be the most effective measure in wiping out communists from this country. In the light of common sense, however, it only means a compromise between the Kuomintang and the Communists, *vis-a-vis* foreign aggression. Current rumors seem to confirm that the Red forces will change their name from the "Red Army" to the "People's Revolutionary Army" and the Government of the Chinese Soviet Republic will be rechristened the "Government of the Special District of China," both to be endorsed by the National Government in Nanking.

Many observers have been quoted as saying that the compromise will mean a concession on the part of Communists, while others hold the view that it is due to a change of policy on the part of the Kuomintang. Both views cannot explain recent developments. Instead of a one-sided initiation, circumstances seem to force the two opposing parties to end the long-drawn-out sanguinary war concurrently and to unite in the face of foreign aggression.

Some people hold that the "United Front" is only a maneuver of the Communists as they have been defeated by the Nanking forces on the battlefield. This observation is correct but by no means complete. Of course, the Communists will heave a sigh of relief if they can lay down their arms and keep peace with Nanking; but it is quite possible for them to be the sincere champions of the "United Front." At present, the anti-imperialistic Communists have really common cause with the Central Government, that is defending China's territorial integrity. If the Communists continue to fight against Nanking, they cannot do their cause any good, indeed, only a united China under the strong leadership of the present government can keep off the "border-crossers." It is a striking fact that through the successful effort of Generalissimo Chiang Kai-shek, China has become a formidable force which may upset the balance of power in the Far East in favor of the Soviet Union or the Communist Internationale. Therefore it is quite possible that the Comintern has recently sent instructions to the Chinese Communist Party to the effect that the latter should compromise with the Kuomintang in Shensi, Kansu, Nanghsia, Chinghai and Sinkiang on the basis of the "United Front" policy, as revealed in the *Shanghai Nichi-Nichi*. It is still vivid in our memory that, during the Sian Coup, the attitude of Moscow was definitely against the "United Front" of Sian for fear that such an action might lead China to resume fratricidal conflict and make formation of the "United Front" impossisble.

Now, let us view the possible Kuomintang-Communist "re-marriage" in the interest of the former. Since their divorce, at the half-way point of the People's Revolution in 1927, the Kuomintang has kept up a military campaign against the Communists, which never proved successful. Today, although the Reds have been wiped out of South China, a new Soviet district, covering parts of Shensi, Kansu, Ninghsia Chinghai and Sinkiang has been established in its place. Though physically poor, this Northwestern region is all the more advantageous to the Reds, because it is not only the neighbor of U.S.S.R., but also is connected with Suiyuan and other parts of North China, the disputed region in Sino-Japanese relations. This took place only a year ago when thousands of soldiers of the Red Army poured into Shansi, much to the surprise of Nanking. These facts should have undermined the belief in Nanking that suppression of Communists could be accomplished before resistance to external aggression.

Another factor to be taken into account, which prompts the compromise between Kuomintang and Communists, is changing circumstances in the world as a whole. In face of the Fascist menace, a new alignment consisting of Great Britain, France, and U.S.S.R., has been organized to defend peace and Democracy. In evaluating this new world situation, the Central Government has no alternative other than to throw its weight upon the side in favor of peace and Democracy. Somewhat encouraged by the fact that the Soviet Union can co-operate with capitalistic countries, government leaders may try co-operation with the Chinese Reds *vis-a-vis* foreign aggression.

The most important question to be tackled is: To what degree can these two opposing parties co-operate? Is it only an armistice between them? And shall the Communists be incorporated into the Central Government? Judging from the face value of their respective demands as envisaged in the resolution of C.E.C. Session and the five proposals, submitted by the Chinese Communist Party to the former the two rival parties are still a long way from real compromise. Some people have gone so far as to allege that the National Government will be reformed on the basis of Democracy and the position of the Kuomintang shall be reduced to that of an ordinary party just as the Communist Party would be when it was made legal. But the situation does not seem to be ripe yet for such a drastic change.

In short, menaced by "border-crossers" and affected by new world political currents, the widely-discussed Kuomintang-Communist compromise may some day become a reality, although the scope of such a compromise is still left undetermined.

Peiping, March 10, 1937.

News Notes from Canton

(By the Review's Canton Correspondent)

Raw opium weighing 250 taels was seized by gendarmes when a passenger on the Wuchow plane was arrested in Canton on Feb. 17. The smuggler gave rise to suspicion when the officers conducted their usual search of the passengers.

Problems arising with the rice shortage became the first item of attention for Kwangtung's new Provincial Planning Committee. The Committee, each member an administration specialist, met for the first time Feb. 20. Meetings will be held three times a week and the men will study problems referred to them and forward their decisions to the secretariat of the Provincial Government.

Overseas Chinese in Annam are shipping 3,000 tons of rice in four monthly instalments in order to help relieve the shortage here. Chinese boats will carry the grain at reduced rates and it will be sold to the poor at the original cost. The promoters have arranged the project without thought of profits.

Salt and sugar will be sent to the Yangtsze provinces in the cars of the Canton-Hankow Railway trains that carry rice to this city. Contracts for the transportation of these two commodities are the subject of negotiations between railway and sugar and salt authorities.

Wuchow's newly formed Rotary Club received its charter at the biggest international gathering ever held in that city. The presentation took place February 20 at a dinner and entertainment held in the Chamber of Commerce. Officials, merchants, professional men, and bankers were hosts to a large Rotarian delegation from the Canton Rotary Club which had sponsored the formation of the Wuchow body.

Inauguration of the Y. Men's Club of Canton took place February 20 when Dr. Arthur Wu, Governor of Y. M. C. A. of South China presented the charter to the Club. Speakers at the meeting included S. B. Tan, President of the new society, Dr. F. I. Tseung, President of the Hong Kong club, E. H. Lockwood, Secretary of the local Y. M. C. A., Paul Sieux, and Dr. Joseph Yu, Vice-President of the Canton club.

Merchants here are uniting to check smuggling. This action follows recommendations of magistrates and administration superintendents who received their instructions from the Provincial Government. Impressed with the success of smuggling supression bodies formed by silk piece goods importers and cloth dealers at Swatow, Chang Kwan-sung, Chief of the Smuggling Prevention Bureau, conferred with the Finance Commissioner on the matter. The latter, working in conjunction with other officials, submitted a report of the subject to the Provincial Government, which then took the steps necessary to put the plan into effect.

Soldiers in Kwangtung Province will be employed in construction work according to reports from General Yu Han-mow, Commander-in-Chief of the 4th Route Army. Bandit troubles have ceased and with them the necessity of suppression campaigns. Commanders of troops stationed in the interior have been ordered to use men for construction work to the extent that local conditions permit.

Growers of Mandarin oranges in districts near Swatow will receive loans from a $300,000 fund arranged by the Forestry and Agriculture Bureau in connection with the Rural Village Co-operative Committee and the Kwangtung Provincial Bank. Agricultural specialists will be sent to the area to give advice and to promote the execution of the plan.

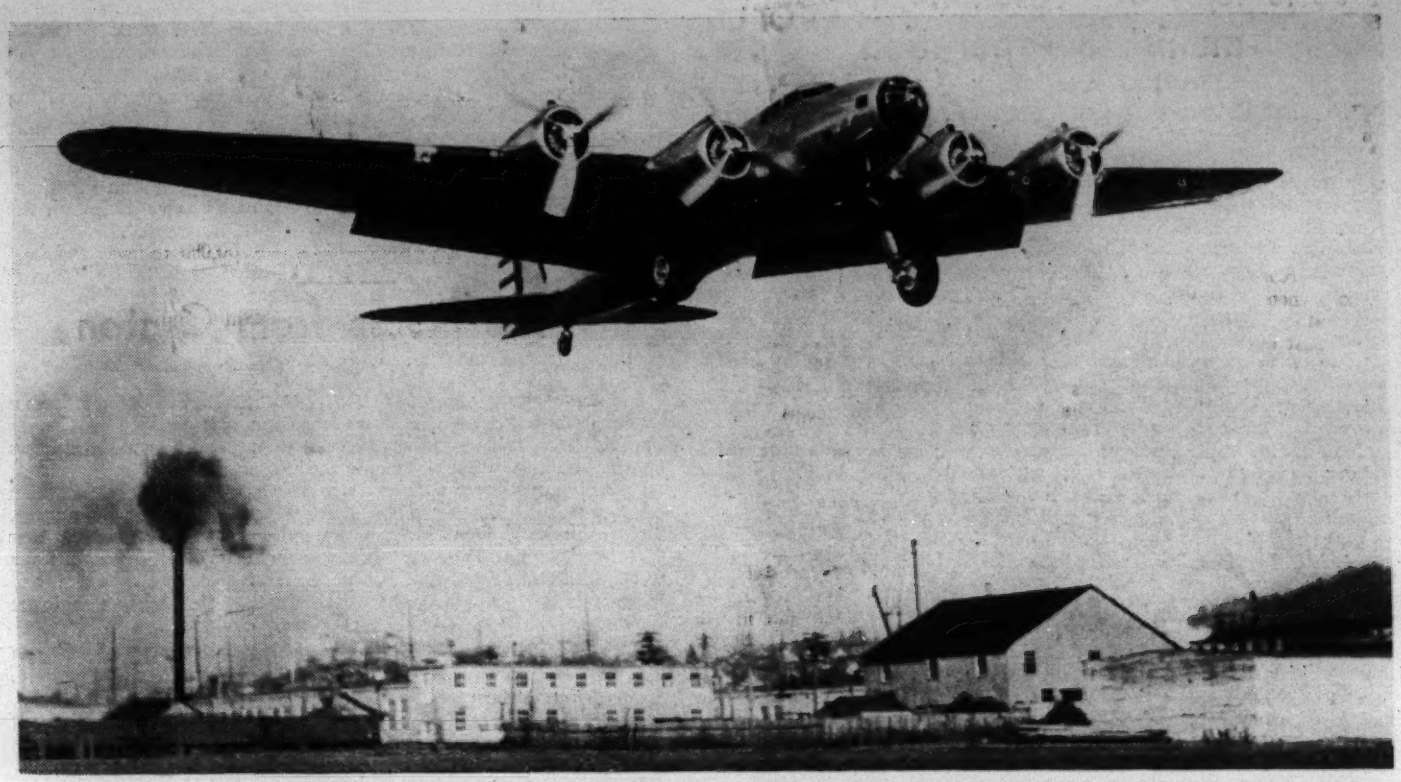
Proposals for the establishment of a school for returned overseas Chinese children have been made by Tse Chok-min, Chief of the Bureau for Overseas Chinese Affairs. Mr. Tse has suggested that the school site be granted from the large tract of vacant land adjacent to the Sunflower Hill Mausoleum.

Three model villages, each consisting of 700 houses, will be built by the Public Works Bureau at the cost of about $3,000,000 according to statements from Lum Yat-min, Director of the Bureau. Plans are also underway for the reconstruction of the stadium at the East Parade Grounds, the establishment of 19 parks, and the construction of a road to Whampoa and Laicheewan Park.

Chungshan University professors will receive their salaries in National currency following an order from the Ministry of Education. Other expenses, however, will be paid in local money as previously.

Canton, Mar. 4, 1937.

U.S. ARMY AIR CORPS ORDERS THIRTEEN BOEING "FLYING FORTRESSES"



Thirteen Boeing "Flying Fortresses" similar to the one pictured above have been ordered by the United States Army Air Corps. These machines weigh sixteen tons, are powered by four 1000-horsepower Wright "G" Cyclone engines, have a wing span of 105 feet, and are larger than any other land planes in America. The first was delivered to Wright Field, Dayton, Ohio, on January 15, the second to March Field, California, on February 9, and the third is now undergoing test flights at the Boeing plant near Seattle, Washington.

China Buys Huge Quantities of Aviation Material in the United States

China bought U.S.$7,185,556 worth of United States aviation material during the year 1936, being among America's principal airplane buyers for the period, the United States Department of Commerce announced in Washington Mar. 5.

With the arrival in Shanghai of new airplanes ordered from America, it is announced that the Chungking-Kweiyang Airway which has been suspended for some time, will be reopened shortly, for mail and passenger traffic, by the China National Aviation Corporation.

The giant tri-motor Junkers plane Ju-52 purchased by the Eurasia Aviation Corporation was due in Shanghai this week. The machine is manned by a crew of three including Mr. Raphge, pilot, Mr. Togel, machanic, and Mr. Remmerg, radio operator.

New Sikorsky Plane to Be Put on Shanghai-Canton Run End of This Month

The Sikorsky plane, purchased by the China National Aviation Corporation, will be put on the regular Shanghai-Canton service about tne end of this month.

Civilian Pilots Must Obtain License from Ministry of Communications

All civilian pilots in China, foreign and Chinese, must obtain a license from the Ministry of Communications, according to an announcement made in Nanking Mar. 6.

Wuchang and Hankow Hold Five-Day Air Defense Compaign

Preparedness for air attack was the subject of a five-day campaign held in Wuchang and Hankow Mar. 6-10. The demonstration ended with a sham aerial attack on the night of Mar. 10.

A general holiday for Government organs and schools marked the launching of Air Defence Publicity Week at Wuchang, provincial capital of Hupeh, and Hankow, Mar. 6. The opening ceremonies were held at both cities, with General Huang Shaohsiung, Chairman of the Hupeh Provincial Government, presiding at Wuchang and General Ho Cheng-chun, Director of the Wu-Han Provisional Headquarters of the President of the Military Affairs Commission, at Hankow. More than 200,000 people participated.

Soviet Airmen Surpass Germans and Italians in Spanish War

Writing in the *London Express*, Victor Burnett says the whole world has been astonished at the fact that Russian warplanes and pilots have won superitority of the air from German and Italian aircraft in the Spanish war. The Soviets have about 9,000 planes, equalling the total of all the other European countries, but only 2,000 of these are up-to-date. The number of pilots is estimated at 150,000.

Singapore's Civil Airdrome to Be Opened in May

Singapore's new civil airdrome at Kallang, only 10 minutes from the heart of the city, is to be opened on May 15—during Coronation week.

French Aviator Drouillet Plans Paris-Tokyo Hop

The French flier Rene Droukillet, onetime Haile Selassie's pilot, Mar 8 announced his intention to make an attempt at the much coveted Paris-Tokyo record. Drouillet will fly an American-made Beechcraft monoplane leaving Paris beginning of April and will endeavor to reach Tokyo within a record time of under 100 hours, via Berlin, Moscow and Irkutsk.

Britain's Air Estimates Total £88,588,600

Provision for a large increase in the air force of Great Britain was contained in the Air Estimates published in London Mar. 5, which total £88,588,600 gross and £56,500,000 net.

Executive Yuan Postpones Ratification of Two International Conventions

The petition of Wu Ting-chang, Minister of Industry, recommending postponement of the ratification of two International Conventions—one relating to the payment of wages during annual holidays and the other relating to the reduction of working hours in public works—was approved at a meeting of the Executive Yuan Mar. 2. The two Conventions are to be forwarded to the Legislative Yuan for consideration.

Two Million-Dollar Company Will Build Huge Sports Palace in Shanghai

A huge sports palace, to be known as the Olympic, capable of seating 10,000, located at the corner of Burkill and Myburg Roads, Shanghai, is to be built by a company recently formed under the U. S. China Trade Act with a capital of $2,000,000.

A temporary board of directors has been named, as follows: M. Speelman, Managing Director of the International Savings Society; Wm. Z. L. Sung, General Secretary of the China National Amateur Athletic Federation; Dr. C. Kuangson Young, Managing-Director of *The China Press*; A. D. Bell, former Chairman of the Shanghai Municipal Council; N. L. Sparke, H. F. Payne, G. M. Rosse, N. F. Allman, H. B. Gallop, Wm. P. Hunt, James H. Lee, T. C. Pan, R. T. McDonnell, E. Y. Meyerink, F. Siemssen, and C. B. Morrison. Dayu Doon, designer of the stadium at the Civic Center in Kiangwan, is the architect for the Olympia.

Foreign Traders in North China Look Forward to Period of Prosperity, Despite Smuggling

BY MARCUS MERVINE

FOREIGN traders in North China are looking forward to a period of prosperity during the remainder of the current year, which, contrasted with their gloomy forebodings of a year ago, seems to verge on a "boom."

Overcoming obstacles and hazards that would drive the average homeside business man crazy, traders here survived one crisis after another and came near sinking several times, but all the fittest have survived. Huge profits and millions made overnight remain only a hazy recollection of the past or a dim dream of the future, but brisk business with reasonable profits appear in the immediate offing. The long term view, however, is still so obscure that no business man dares slip into complacent sluggishness.

The change in the outlook for the next year or two is amazing. A year ago foreign business and commercial leaders stood in the depths of the depression pit and could not see the sky. Bearing in mind the strangulation of foreign business in Manchuria following Japan's conquest and watching the daily encroachment of the Japanese militarists in North China proper, rare indeed was he who saw hope for avoiding a similar fate in Hopei and the back country.

At this same time a year ago the Japanese militarists were at the height of their insolence, the intentions of General Sung Cheh-yuan and his Hopei Chahar Political Council towards the amputation of the five northern provinces were uncertain, to say the least, the brazenness and volume of smuggling was increasing to such an extent that no man could see its end, rumors of financial independence of North China had destroyed confidence in local currency, the Central Government seemed to be withdrawing all stabilized control of the region without so much as a whimper, imports and exports had sharply declined, many new forms of taxation and other squeezes on business were being invented, silver smuggling was rampant and the metal resources of the region were being drained, armed conflicts between Japanese and Chinese soldiers were occurring in Peiping, Fengtai and elsewhere, so-called "autonomous armies" swept through the streets of Tientsin like plague-carrying vermin, the Japanese running-dogs were extending the boundary of the "East Hopei Autonomous Area" to include Tangku and Taku, Doihara was doing his best to throw the "fear-of-Japan sickness" into the local authorities, the military and political situation in the back country was fraught with danger and unrest, local officials were minting and distributing subsidiary coins which soon became valueless, the Peiping and Tientsin student demonstrations were at their height, the Communists were commencing to cross the Yellow River into Shansi, political assassinations, were weekly occurrences, the members of the old Anfu clique crawled forth from their snake nests and over the terrain to spread their slime everywhere and the whole region north of the Yellow River was in turmoil.

Little wonder that foreign business interests worried about the future. There was scarcely a silver lining anywhere in those dark clouds. One after another they disappeared during 1936 largely as a result of the new-found strength and resolution of the Chinese National Government.

There is little doubt that had Nanking weakly submitted to the Japanese demands during the past year, the Japanese would now be in complete control of this entire area and the future for foreign business would look less bright.

Three Festering Sores

Three festering sores remain; existence of the "East Hopei Autonomous Government," the expanding smuggling industry and the heroin traffic—all under official Japanese protection and blessing.

Giving armed protection to traitors like Yin Ju-keng, and to organized criminals like the smugglers, and lending the Japanese flag to be flown over the rooftops of heroin dens where every form of human depravity is practiced so that a whole race can be helped on the road to ruin, are three of the dirtiest and most under-handed ways one nation can fight another, as contrasted to an honorable field of battle where both have equal chance for life or death.

However, foreign business interests are more concerned about what directly concerns them. Since the political manipulations are inextricably mixed up with the success of failure of their enterprises, foreign traders must keep close watch on developments as they occur.

Smuggling has swollen into a $125,000,000 a year industry in North China and there is every evidence that the total imports through the Luantung region in 1937 will even exceed that figure. The loss to the Customs during 1936 is estimated at $70,000,000.

Warehouses and godowns in the Japanese Concession are filled to overflowing with stocks which are now finding much difficulty in moving into the interior.

At the present time there are about 200,000 to 300,000 bags of sugar, 30,000 to 40,000 cases of kerosene and 2,000 cases of artificial silk—to quote the three leading smuggled commodities—stored in the Japanese Concession awaiting shipment into the interior.

About 50 Japanese transportation companies, having an aggregate capitalization of nearly $3,000,000, are engaged in the business of transporting the goods to Tientsin. The transport of the smuggled goods into the interior is almost entirely in the hands of Chinese who employ ronin Koreans in order to get the necessary extraterritorial "protection." On several occasions the Japanese Imperial Army has gone so far in giving protection that soldiers in uniform have accompanied the smugglers' trucks on the highways.

Actually, American, British and other foreign business men in Tientsin and Peiping are not seriously agitated about the effects of the smuggling. Like traders the world over they are little interested in anything that does not directly affect their pocketbooks. With the exception of petroleum products and dyestuffs, foreign business has not suffered as a result of the smuggling and a few lines, such as motor trucks, have benefitted. No evidence has been seen that the smuggling is directed against foreign business.

In its annual report made public on February 6, 1937, the Tientsin British Chamber of Commerce had this to say:—

"As regards the effect on business in general, one can say that the smuggling has not been (with the two chief exceptions), as serious to British firms as was thought possible last year. This is chiefly due to the fact that the smuggling has been mostly confined to such articles as artificial silk, cigarette paper and certain types of piece goods which do not form any considerable feature of British trade in China."

The American Chamber of Commerce has not been as active in the investigation of the smuggling business or as interested, one might say, as the British Chamber of Commerce in Tientsin.

The matter has never been taken up formally with the American Consulate-General by the Chamber and no resolution opposing the trade has been passed despite the fact that virtually all the leading oil companies and a leading dye company are members of the American Chamber. However, it is understood that the Consulate in Tientsin, the American Embassy in Peiping and the Embassy in Tokyo all have followed the development of the smuggling interest with keen and intelligent interest. Representations have been made by the Embassy in Tokyo to the Japanese Foreign Office.

American Chamber Not So Active as British

The American Chamber of Commerce has discussed a plan for recommending that Tientsin be made a Free Port, similar to Dairen, as the most effective way of dealing a death blow to the smuggling interests and putting all foreign business on an equal basis in Tientsin. A committee has been appointed to study the question and report back to the next general meeting. While nothing has been definitely formulated yet, it is suggested by some Chamber members that Customs barriers be installed on the outskirts of the city to prevent smuggling into the interior.

Charles A. Smith, President of the American Chamber of Commerce, summarized the American viewpoint in an interview with this correspondent last week.

"Japan's 'special trade' is not directed against American goods. They want to drive down the Chinese customs tariffs and by protecting the smugglers they believe they can compel China to adopt a preferential tariff schedule for Japanese manufactured goods," Mr. Smith said.

"I think there is no question that goods being smuggled into North China now are materially hurting some lines of American goods to the point where it is impossible for them to compete with the Japanese product. The prices of the smuggled commodities are too low and there is very little chance of equal competition along similar lines for Americans.

"What the outcome will be, nobody knows. I am inclined to believe that some form of agreement between the Chinese and Japanese will establish a preferential tariff for many Japanese manufactured goods.

"On the whole, American business has been good during the past year. Exports from North China to the United States have been greater in the past year than for many previous years. Imports were reduced by the smuggling and by the American shipping strike. Certainly there has been no decline in demand for American goods."

The British Chamber similarly reported that "The past year has been, on the whole, a satisfactory one and, in some cases of exports, a better year than has been experienced for a long time past."

While disapproving of the methods Japan has adopted to overcome the high tariffs, foreign business men in North China take a less vigorous attitude towards the smuggling due to the conviction that the import duties on the smuggled commodities are exorbitant..

In 1927 the import duty on kerosene amounted to only 20 cents per case of ten gallons. Today the duty is around $4.64 whereas the smugglers pay only $1.09 to the "East Hopei Government." The duty on artificial silk is about $1.20 per kilogram, cigarette papers $8.25 per kilogram and sugar $13.08 per 100 kilograms.

Another feature that has worried foreign business men in Tientsin is the sudden increase in export valuations as applied by the Chinese Maritimes Customs, almost without warning. A revised list of valuations was published on January 1 in respect to certain items of export, chiefly wool and skins. Exporters have taken up the matter with their consular authorities, pointing out that they did not object to the increases so much as to the suddenness of their application, which allowed no time for adjustment of contracts and other arrangements.

Tientsin is the only port where a system of established valuation for periods of three months each, is used. In Shanghai and other ports, the export duty is paid by the importer on foreign shores but in Tientsin prices are quoted C.I.F. New York, London or other places.

Some fear has been expressed that the Japanese may eventually seek to control and monopolize Chinese raw products in North China and Americans may some day find it impossible to buy these products in open and competitive markets.

Trade experts and business leaders in Tientsin say this is unlikely so long as North China remains in the control of the Chinese Government. It is impossible to forecast the events of four or five years hence but even should the Japanese seize the Tientsin-Peiping area under military occupation, most of these raw materials could be diverted to Shanghai. Wool, casings, skins and other products originate west of Shansi and, while Tientsin is the natural port so long as there are no encumbrances, diversion to Shanghai would not make the cost of handling and transporting ruinously high. A great deal of these products are now coming to Tientsin by parcels post anyhow and a few more postage stamps would take them to Shanghai. The general feeling here is that Japan will never be able to control the raw materials in which foreign exporters are interested.

Tientsin was the only port in China to show an excess of exports over imports, the excess amounting to approximately $37,000,000 for the year. This is due partly to smuggling, which decreased the total of legitimate imports but also is partly attributable to improving world demand for the products exported from the port of Tientsin. Lifting of the depression in the United States was quickly felt in this port.

Price for Carpet Wools Highest on Record

The demand for carpet wools increased almost 40 per cent within a month, and the price is now the highest on record. A spectacular increase in the demand for bristles brought the prices for some assortments more than 100 per cent greater than a year ago. A phenomenal demand for casings and skins has been witnessed.

While American and British business men have not become highly excited over the smuggling situation so far, they sincerely regret the breakdown of law and order that has resulted. The motor car company that has sold many trucks to the Japanese, knowing that the trucks are to be used by the smugglers, has benefitted from this "special trade" but the fear is always present that some day the smugglers will start importing motor cars, too.

As pointed out before, kerosene and dyestuffs are the two American imported commodities that have been hardest hit by the smuggling operations. About 25 per cent of the dyestuffs sold in the Tientsin-Peiping area today are smuggled.

The smuggling of kerosene started during the first week of April, 1936 and during that year a total of 4,227,980 gallons were brought in through the "East Hopei Area," of which nearly 2,000,000 gallons were distributed in that area, 740,000 gallons were distributed in Tientsin and neighborhood, and 1,490,000 gallons in the Peiping area. A total of 537,850 gallons of gasoline were smuggled into the North China ports.

During January, 1937, kerosene imports by the smugglers totalled 450,000 gallons. The largest single month witnessed the illegal import of 1,100,000 gallons of kerosene.

A case of smuggled kerosene is placed on the market for about $7.50 per case as compared with the standard price of $9.70. "Dotai," "Bat" and "Swallow" are the most popular brands of smuggled kerosene on the market.

The Preventative Bureau of the Chinese Maritimes Customs has been very active against the smugglers during the past few months and has made numerous spectacular seizures, causing huge losses to the smugglers, but still large quantities are flowing into the interior.

The customs officers can do very little without the support of the Chinese police or the police authorities of the various concessions. The best cooperation has been received from the British Municipal Police. The French Police have not given their full cooperation, and demand that warrants be obtained from the Chinese courts before raids can be undertaken in the French Concession. Chinese police are anxious to cooperate and to actively participate in the raids and seizures because they receive ten per cent of the money received when the smuggled goods are sold at auction, but they are under constant pressure from the Japanese authorities. Most of the important raids which have taken place recently were done with the active aid of the Chinese police.

From the sale price of the smuggled commodities, the informer receives 50 per cent, the police 10 per cent, the customs' staff 10 per cent and the Customs itself, 30 per cent. The customs works with an excellent group of informers, including some Japanese.

The brazen arrogance of the ronin Koreans and Japanese engaged in the smuggling traffic was aptly illustrated on February 21 when a mob of 40 Koreans raided a Customs godown in the French Concession and made off with 16 bales of rayon piece-goods. The French police had been warned in advance but when the Koreans arrived no French policeman was in sight. The Koreans, who came in two trucks and took another in the Customs compound, attacked four Customs employes with blackjacks and other weapons. The alarm was sent to the French police station and 20 police arrived on the scene in time to save the Customs men from death or serious injury. However, the police did not prevent the Koreans from loading their trucks with the goods and leaving.

A Chinese policeman on point duty in the French Concession halted the trucks and commenced to make trouble for the 40 rouin, when a party of Japanese Consular Police arrived on the scene, seized the trucks and tried to arrest as many of the Koreans as possible. The French police arrested six and later turned them over to the Japanese authorities. Several of the Koreans made their escape, each with a bolt of cloth under his arm.

The Japanese police have started a roundup of the other Koreans and they are to be prosecuted. It appears to be the new policy of the Japanese authorities to protect the smugglers only on the established smuggling route from the "East Hopei Area" to the Japanese Concession and no longer to offer protection if the smugglers get into trouble elsewhere.

The Chinese Maritime Customs, it is understood, is pressing the case as an assault and robbery crime, saying nothing about the smuggling phase of it.

The accompanying list of smuggled goods brought into the East Station, Tientsin, by the Peining Railway during the period October 1 to December 31, 1936, reveals many interesting sidelights.

For instance, the list shows the importation of 1,072 jars, 275 cases, 30 bottles and 8 drums of acetic acid, used in the manufacture of heroin in the Japanese Concession, aptly termed the "Heroin Capital of the World." Sixty-two cases of firearms, 206 cases of ammunition, 1 motor car, 1 truck, 518 cases and 20 bottles of nitric acid (also for use in tne manufacture of narcotics), 8 cases of pistols and large quantities of wines and spirits also appear.

The list, compiled from entirely reliable sources, follows:

*
**

List of smuggled goods brought to the East Station, Tientsin, by the Pei-Ning Railway, Oct. 1 to Dec. 31, 1936.

Acetic Acid.....	Cases	275	Bleaching powder	Drums	10
	Jars	1,072	Bicho-de-mar	Cases	180
	Drums	8		Packages	220
	Bottles	30		Bags	11
Aerated waters...	Cases	20	Bottles, empty....	Cases	2
Agar Agar.....	Packages	65	Brass	Bundles	33
	Bags	11	Brass tubes.....	Packages	1
Ajinomoto	Cases	2	Bicycle parts	Packages	312
Alcohol	Drums	895		Cases	1,277
	Cases	1,086	Butter	Cases	28
	Jars	106	Buttons	Cases	89
	Tins	540		Packages	6
Alum	Drums	75	Calcium Carbide..	Cases	3,008
	Bags	80		Bags	224
	Cases	10		Packages	805
Aluminium ware..	Packages	3		Drums	4
	Cases	2	Candles	Cases	8
Ammonia	Packages	26	Canned goods.....	Cases	2,710
	Jars	30		Baskets	3
Ammunition	Cases	206		Bundles	160
Apples	Cases	36,699	Canvas	Cases	9
	Packages	150	Cartridges	Cases	5
Arms	Cases	62	Cartridges Cases,		
Awabi	Cases	14	Paper	Cases	7
	Bags	24	Casings	Drums	2
Bamboo ware....	Cases	2	Camphor	Cases	15
Barium chloride..	Cases	50	Caustic soda.....	Drums	278
Bark extract	Cases	80	Cement	Cases	366
Batteries	Cases	50		Bags	14,985
Beans	Cases	1	Chalkstone powder	Cases	98
	Bags	33	Charcoal	Bags	5
Beer	Cases	170	Chemicals	Cases	38
Benzine	Drums	30		Packages	95
	Cases	1,105	Chinaware	Cases	6
Biscuits	Cases	185	Chocolate	Cases	45

Christmas trees	Bundles	2
Cigarettes	Cases	124
Cigarette Paper	Bags	335
	Packages	220
	Cases	383
Clay	Bags	2
Clock parts	Cases	2
Cod liver oil	Cases	16
Coffee	Cases	19
Coffee beans	Bags	20
Compoy	Cases	168
	Packages	3
Confectionery	Cases	281
	Bags	10
	Packages	1
Copper plates	Packages	3
Cotton, Absorbent	Cases	15
	Packages	2
	Bags	8
Cotton bandage	Cases	5
Cotton clothing	Cases	3
Cotton piece goods	Bales	3,578
	Cases	2,517
	Packages	5,777
	Bags	4,704
	Bundles	1,330
Cotton rags	Bales	25
Cotton thread	Cases	1
Curry	Cases	240
Drums, empty	Packages	1
Dyes	Drums	1,889
	Packages	739
	Cases	191
Dynamos	Cases	2
Earthenware	Bundles	43
	Packages	18
	Cases	27
Electric cord	Bundles	3
Electric good	Cases	567
	Packages	290
	Bundles	27
Electric machine parts	Cases	3
Electric tubes	Packages	12
Electric wire	Bundles	47
Ether	Drums	135
Face powder	Cases	3
Face Cream	Cases	1
Films	Cases	1
Fish	Bags	15
Fish, canned	Cases	3
Fish, Cuttle	Bags	33
	Cases	54
Fish bone	Cases	2
Fish, dried	Cases	9
	Packages	8
	Bags	3
Fish fins	Packages	23
Fish lips	Packages	15
Fish, raw	Cases	1
Fish, salted	Cases	271
Flour, wheat	Bags	1
Foodstuffs	Packages	16
	Cases	136
Fountain pens	Cases	1
Furniture	Packages	23
Fuse	Cases	13
Galvanized iron sheets	Bundles	4,276
	Packages	1,341
	Cases	200
	Bales	2
Gasolene	Cases	3,110
Glass plates, silvered	Cases	14
Glassware	Cases	55
	Packages	4
Glass	Cases	1
Glauber salt	Packages	70
Glue	Cases	39
	Bags	206
Gramophones	Cases	33
	Packages	99
Gramophone parts	Cases	4
Gramophone records	Cases	1
Grease	Drums	7
Gum	Bags	100
	Cases	19
Gunny bags	Bundles	3,173
	Bags	207
	Bales	516
	Packages	417
	Cases	930
Gunny bags and hemp twine	Bundles	88
Hardware	Packages	2
Hat bodies	Cases	2
Hats	Bags	18
Hemp thread	Bags	2
Hinges	Cases	10
Honey	Cases	1
	Barrels	10
Imitation leather cloth	Cases	30
	Bales	5
	Drums	5
Imitation leather stripe	Cases	1
Ink	Cases	25
	Packages	17
Iron	Packages	1
Iron bars	Bundles	399
„ plates	Packages	235
	Bundles	34
„ sheets	Packages	240
	Bundles	160
„ shovels	Bundles	32
Iron ware	Packages	40
	Cases	88
	Bundles	4
„ wire	Bundles	793
	Cases	4
„ tubes	Cases	16
Isinglass	Bags	21
	Packages	23
Kerosene oil	Cases	76,410
Knife	Bags	1
Lamps	Cases	4
Lamp cord	Bales	20
Lead	Cases	31
Lead oxide	Bags	11
„ red	Cases	20
„ pipe	Pieces	174
	Cases	6
„ ware	Bundles	6
„ white	Bags	10
„ wire	Bales	200
Leather cloth	Cases	8
„ goods	Bags	2
	Packages	1
Lemons	Cases	2
Lubricating oil	Drums	227
	Cases	20
Machine belts	Cases	3
„ parts	Packages	2
Matches	Cases	12
Mats	Packages	140
	Bags	15
	Bundles	28
Medical instruments	Cases	20
Medical soap	Cases	21
Medicines	Cases	1,271
	Bags	200
	Packages	175
	Drums	30
Milk	Cases	417
Milk powder	Packages	4
Motor cars	Piece	1
„ „ parts	Packages	15
	Cases	4
„ cycles	Pieces	1
„ tricycles	Pieces	1
„ trucks	Pieces	1
Mushrooms	Cases	25
	Bags	1
Nails	Bags	227
	Drums	450
	Cases	432
Naphthalin balls	Cases	25
Needles	Cases	148
Newspapers, old	Packages	12
Nitric Acid	Cases	518
	Bottles	20
Oil, Fuel	Packages	40
Old cloth	Bales	20
Oranges	Cases	10,516
Ovens	Packages	10
Paper	Bundles	4,806
	Cases	603
	Packages	3,147
	Bales	1,372
Paper flowers	Bundles	3
„ joss	Cases	1
„ toilet	Bags	6
„ ware	Cases	36
Pencils	Cases	4
Pepper	Bags	770
	Packages	82
Piece goods	Packages	1,045
	Bales	155
	Cases	21
Paints	Cases	124
	Drums	55
Photographic goods	Cases	43
	Packages	2
Planks	Bundles	46
Printing materials	Cases	6
Pistols	Cases	8
Porcelain ware	Cases	24
	Packages	4
Potassium Cyanide	Cases	110
Provisions	Cases	167
Radio parts	Cases	140
Rice	Packages	9
	Bags	7
Rubber cement	Cases	29
	Packages	100
Rubber	Cases	3
Rubber goods	Cases	81
	Bags	2
	Packages	39
„ heels	Cases	294
„ protective	Cases	1
„ soles	Cases	85
„ tires	Bundles	2
„ toys	Cases	4
	Bags	4
„ tubes	Cases	7
„ twine and thread	Cases	5
„ wire	Cases	15
Saccharine	Cases	20
Saltpetre	Cases	27
Sauce	Barrels	399
	Packages	10
	Bottles	193
	Cases	4
Screws	Cases	13
	Drums	50
	Bags	90
Sea products	Cases	135
	Packages	99
	Bags	76
„ shells	Cases	5
Sea weed	Cases	1
	Packages	528
	Bundles	686
	Bags	63
Sharks' fins	Bags	18
	Cases	7
Sandals, Japanese	Cases	5
Shoe polish	Cases	4
Shoes, rubber	Cases	344
	Bags	41
„ straw	Cases	2
Shoes	Packages	3
	Cases	70
Silk piece goods, Artificial	Bags	1,566
	Packages	925
	Cases	593
	Bales	1,398
	Bundles	28
Silk yarn, Artificial	Bags	4,602
	Packages	490
	Cases	615
	Bales	26
Silk gloves, Artificial	Bags	2
Socks	Bags	103
Soda	Cases	32
Soap	Cases	35
	Bags	1
Sodium Sulphide	Cases	310
	Drums	11
Soy	Cases	51
	Drums	87
	Tubs	100
	Barrels	1
	Bundles	203
Starch	Packages	18
	Bags	18
Stationery	Cases	26
Stoves	Pieces	122
	Cases	2
	Packages	179
	Bundles	55
Straw slippers	Cases	4
Sugar	Bags	585,434
Sugar, brown	Bags	6,755
„ white	Bags	15,519
„ candy	Bags	386
„ Granulated	Bags	4,634
„ refined	Bags	22,019
Sulphate of ammonia	Bags	44
Sulphur	Cases	24
	Packages	220
Sulphur black	Drums	35
	Cases	4
Sulphuric acid	Cases	49
Sundries	Packages	125
	Cases	165
	Bags	309
Swords, Boxing	Cases	4
Tea	Cases	26
	Packages	1
Telegraph materials	Packages	30
Telephone parts	Cases	28
Tiles, glazed	Cases	7
	Bundles	1,022
Tiles	Bundles	913
Tin plates	Bundles	1,177
„ sheets	Bundles	18
Toilet goods	Cases	121
	Bags	1
	Packages	6
Tooth brushes	Bags	1
Tooth powder & cream	Cases	311
Towels	Bags	29
	Cases	1
Toys	Cases	197
	Packages	43
Twine, Hemp	Bundles	40
	Bags	1
	Cases	25
Typewriter parts	Cases	5
Typewriters	Cases	8
Umbrellas	Cases	1
Vegetables, salted	Drums	5
Vermicelli	Packages	10
	Bags	19
Water, distilled	Cases	10
Wax	Cases	5
	Bags	25
Wine	Cases	265
	Packages	1
	Drums	5
	Jars	10
Wine, Japanese	Cases	242
	Drums	257
	Packages	26
	Tubs	30
	Bottles	39
	Barrels	23
Wine, Port	Cases	3
Wires, Japanese	Packages	109
Wood	Bundles	11
Woodware	Packages	1
Woolen blankets	Cases	16
„ goods	Cases	21
	Bags	4
„ piece goods	Packages	220
	Bags	213
	Bales	273
	Cases	793
	Bundles	10
„ shirts	Cases	10
„ yarn	Bags	142
	Packages	85
	Bales	18
	Cases	37

Bills Motors Display 1937 Fords at Show Rooms in Avenue Foch

Bills Motors are displaying two 1937 models of Ford Cars at their show rooms at the corner of Avenue Foch and Rue Cardinal Mercier, Shanghai. One of the new models is equipped with a 60-powerhorse V-8 engine and the other with an 85-horse power motor V-8 engine.

According to George Bourne, Managing-Director of Bills Motors, Shanghai Ford dealers, the cars with 60-horsepower V-8 engines may be termed "economy models," being adapted to meet the demands of motor-car owners who require roominess, comfort and safety, but insist upon the lowest operating cost. The introduction of the 60 horsepower engine marks an important deviation from the trend toward higher horsepower and extreme performance that has been a feature of the American automobile in recent years. The new engine is one of the two power units for the standard 112-inch chassis. It has cylinder blocks and crankcase cast integral, cast alloy steel pistons, fully counterweighted cast alloy steel crankshaft, floating type connecting rod bearings, cast alloy iron camshaft, chrome nickel alloy steel valves and tungsten chrome alloy steel valve seat inserts. Its ignition system is driven directly from the end of the camshaft.

Rich new appointments, a handsome new instrument panel, new V-type slanting windshield, which opens in closed cars, and a number of other refinements have entirely changed the interior appearance of the new Ford V-8 for 1937.

The exceptional roominess, the deeply cushioned seats, wide doors and windows combine to give the cars a most attractive appearance. Practical improvements which add much to the comfort of driving include a new location of the starter button on the instrument panel within easy reach of the driver's left hand, and the placing of parking brake under the dash, within easy reach, but out of the way of front seat passengers.

New Life Club Will Shortly Move Into New Premises in Nanking

The New Life Club will move into its new three-storied modernistic concrete building on Chung Shan Road in Nanking sometime this month. The new club house is well provided with reading, music, billiard and dining rooms on its first and second floors, while on its top floor there are seven guest rooms. Rents for the guest rooms will range from $1 to $2 per day.

The New National Army in China's Defense Plans

BY HALDORE HANSON

IN 1937 it is fashionable to speak of "pacifist" China turning "warlike," but nobody seems to know what the terms mean.

Foreign newspapermen vie with one another for every snippet of news about bombing planes, secret gun emplacements, and soldiers in tin hats. A pamphlet issued by the Japanese army in November, 1936, apparently designed to instill fear in their own people, asserted: "There are said to be roughly 2,000,000 Chinese soldiers, most of whom can be put in the field in a foreign war because of the recent centralization. Japan cannot ignore that they are fast being converted into an efficient fighting machine because of the training by foreigners and improved equipment."

China's national army, the backbone of any sustained international war, is a machine slowly taking shape under the guidance of officers from the old Whampoa Military Academy in Canton, incubator of the 1927 revolution. The new army is a product of the 1930's. The average age of the officers is less than 30; the majority of them are graduates of the Central Military Academy in Nanking, or one of its three branches at Wuchang, Loyang, and Chengtu, all founded since 1928. The troops trained at Nanking, unlike the traditional raggamuffins, are young, well disciplined, well uniformed. No reliable figures are available on literacy in the army, but the writer has personally seen the troops of General Shang Chen's 32nd Army, formerly in Peping, now in Honan, studying political and military tracts under the direction of their officers.

The frequently mentioned 2,000,000 troops in China are roughly accounted for in the following list, gathered from various sources, chiefly the Chinese newspapers:

Central government troops (Kiangsu, Anhui, Chekiang, Kiangsi, Fukien, Kwangtung, Hunan, Hupeh, Kueichow, Honan)	1,149,800
Han Fu chu (Shantung)	53,500
Sung Cheh-yuan (Hopeh and Chahar)	61,800
Yen Hsi-shan and Fu Tso-yi (Shansi and Suiyuan)	85,000
Northeastern troops (Shensi and Anhui)	119,500
Yang Hu-cheng (Shensi)	31,000
Mohammedan troops (Kansu, Ninghsia, Chinghai)	40,000
Communist army (Kansu)	100,000
Liu Hsiang (Szechuan)	131,000
Yunnan	21,900
Li Tsung-jen (Kwangsi)	54,000
Total	1,847,500

Obviously this list is not a classification of fighters. To say that the Central Government has an army of one million men is merely to total up the garrison troops in ten provinces. However, this million soldiers includes not less than 200,000 men drilled in Nanking, some by German instructors. They are taught a little tactics, equipped with all war-time necessities, and steeped in national propaganda. If to the best of these national troops we add 100,000 communist soldiers and the Kwangsi army of 54,000, we have a third of a million armed men prepared realistically, more or less, to fight Japan.

The best evaluation of the Chinese soldier came from an American army officer writing in *Foreign Affairs* for April, 1931 on the subject, "The Chinese as a Fighting Man." (A delectable 15 minutes of reading.) "The Chinese soldier," he points out, "is the most docile material from which to build a disciplined unit. He will stand an infinite amount of hardship and discomfort without grumbling. He can march tremendous distances on footwear which would ruin the western soldier in the first mile. He cares little where he is or how long he stays so long as he has the bare necessities of food and clothing."

But the writer goes on to qualify his praise. "By the same token, the Chinese soldier is too contented with his just-sufficient rice bowl. He is as willing to be a well-fed straggler as a well-fed victor. This attitude has probably grown up through years of civil strife in which the enemy was just another man like himself earning a precarious living. He remembers few instances in which the enemy whom he faced represented a menace to his livelihood."

Against all critics this American writer defends the Chinese soldier for his endurance, physical courage, and intelligence *if there is something worth fighting for*. And that "something to fight for" cannot be a vague slogan of nationalism, anti-imperialism, or communism. The will to fight in the Nationalist ranks in 1927 was not based upon political theory, but upon a conviction, imposed by Russian trained propagandists, that the northern war lords were responsible for the prevailing hunger. This battle cry of the rice bowl is the vital element which will arouse the fighting spirit of the Chinese masses, whether nationalist or communist.

Besides needing a personal interest in the struggle, the Chinese soldier must have an officer who leads. The motto of the officers in the civil war days before 1927 was "Go on, boys." That is why so few battles were fought. Anyone who analyzes the few real battles of the past decade, such as the resistance to the Japanese at Tsinan in 1928, at Shanghai in 1932, and at the Great Wall in 1933, will find that in every instance *the officers led* and the men followed. The Chinese communists understood this military platitude from the outset; casualties among the Red officers in the first and second annihilation campaigns in 1931-32 were often as high as 50%, according to Edgar Snow. Even with tactics revised to give greater protection to their experienced commanders the Reds lost 25% of their officers in the last Kiangsi campaign.

This ancient relic in a public park in Soochow dates back to a period about a half century ago when Germany was once before active in the sale of arms to China. Whether the gun, once a most modern type, ever saw service is not known, but it now serves a useful purpose for little Chinese children who play in the park.

Many of the younger officers of the Central Government, though lacking in battle experience, are believed by experts to be properly "toughened." Between 10,000 and 15,000 men, either middle school graduates or promising non-commissioned officers from the army, have been given a three year college education at the Central Military Academy since 1928. After three more years lieutenants in the field, these young officers are eligible to enter one of the ten military graduate schools in Nanking, which include, infantry, cavalry, field artillery, fortress artillery, engineering, military transport, munitions, surgeons, veterinary surgeons, and intelligence. However much of this organization is still on paper since the shortage of funds has prevented extensive artillery practice, or even field maneuvers of much importance. Still it would be an insult to the Chinese to say that ten years of training under German advisers has not produced officers comparing favorably with the Japanese.

With a reasonably well equipped, well disciplined, partly educated army of a third of a million, led by a surplus of nationalistic officers less than 30 years of age who have had some trainingr in tactics, and backed by an almost unlimited reserve of man power as yet untrained, but displaying exceptional courage, endurance and intelligence when the battle cry of nationalism plus the vital element of the rice bowl is raised, China's standing army is advancing toward the day when it can successfully resist the foreign aggressor.

Wuchang, March 8, 1937.

China Trade in January Shows Favorable Balance of $5,179,697

According to figures appearing in the monthly returns of foreign trade issued by the Statistical Department of the Inspectorate-General of Customs for January, the exports from China totaled $82,206,499 as compared to $77,026,802 in imports.

These figures show a favorable balance for the month of $5,179,697.

Japan's Lower House Passes Yen 2,815,368,000 Budget

Japan's expenditures in the 1937-38 fiscal year will reach Yen 2,815,368,000, of which 49 per cent will be for national defense, the budgetary committee of the Lower House decided Mar. 6. The final figures were submitted to the plenary session of the Lower House Mar. 8.

Overriding vociferous opposition from the proletarian Social Masses Party, the Lower House Mar. 8 passed the Government's 1937-38 budget bill without modifications. The measure was immediately sent to the House of Peers.

The attack on the budget was led by Tetsu Katayama, of the proletarian party, who assailed the Government for expanding military expenditures, without paying heed to the people's welfare.

"Yuki's finance policy," he shouted, "is designed to help the capitalists to gain control of the nation's industries, thus ensuring profiteering"

He said that his contention was substantiated by the nature of the projected revisions in the regulations of the Bank of Japan. Finance Minister Toyotaro Yuki planned to revise the present regulations to permit the Bank of Japan to advance funds to industry.

The two major parties, the Minseito and the Seiyukai, attached a five-point rider as follows:

1. The Government violated Constitutional provisions by including among the defense appropriations Yen 46,000,000, which will not be spent until the 1938-39 fiscal year.
2. The Government is urged to submit to the next session of the Diet a bill providing for fundamental reforms in the local and central taxation systems.
3. The Government is urged to put an end to malpractices carried on by the police.
4. The Government is urged to set up a special committee of officials and civilians to study the distribution and disposal of provisional special funds.
5. Steps must also be taken to readjust the financial structure of local governmental units.

The passage of the bill was made certain by the Government Mar. 4, when it agreed to raise to Yen 100,000,000 its appropriations for grants-in-aid to provincial and local governments. The previous Cabinet intended to allot Yen 220,000,000 for the purpose, but this figure was slashed to Yen 70,000,000 by Finance Minister Toyotaro Yuki in his effort to cut all non-military expenses.

Premier Hayashi Charged with Malfeasance

The Mar. 6 session of the Japanese Lower Chamber was featured by an attack on Premier Hayashi, who was charged with "malfeasance" in securing the services of a Government official in forming his Cabinet. To the applause of the House, Umpei Takada, Minseito, declared that Gen. Hayashi commited an "illegal act" in availing himself of the services of Takeo Kawagoe, Director of the Ligislative Bureau of the Cabinet and at that time Vice-Minister of Finance.

Government's Indifference to Peasantry Scored in Tokyo

The Government's alleged indifference to the welfare of the improverished peasantry was bitterly assailed in the House of Peers Mar. 5. "Does the Government," Saijiro Aoki, of the Koyu Club, asked, "intend to build up Japan's wealth and power at the expense of the agricultural population?"

Premier Gen. Senjuro Hayashi replied that the Cabinet intended to take steps "in the future" to improve the living conditions of the farmers. Japan, he said, was "reluctantly obliged to expend large sums for national defense because of the international uncertainties."

Sato Denounces War Before "Talkie" Machines

Abhorrence for "war and all its horrors" was voiced by Naotake Sato, the new Foreign Minister, as he posed before a battery of "talkie" cameras, in Tokyo Mar. 6. "The basis of Japan's foreign policy, consistently pursued since she joined the comity of nations some 80 years ago, aims at the maintenance of peace and tranquillity in this part of the world, thus contributing to the promotion of the common interests of mankind," Mr. Sato declared. "I shall earnestly endeavor to conduct foreign affairs in the spirit of genuine friendship and co-operation with all nations of the world."

Tokyo Government Agrees to Increase Grants to Provincial Areas

Bowing to the demands of the political parties, the Government Mar. 4 agreed to increase by Yen 30,000,000 the appropriations for grants-in-aid to provincial and local governments for the readjustment of their finances. The previous Government's estimate of Yen 220,000,000 was cut to Yen 70,000,000 by Premier Senjuro Hayashi's cabinet. This has now been increased to Yen 100,000,000.

Japan Ships Gold to United States

Gold bullion valued at Yen 18,500,000 left Japan for the United States Mar. 9. The shipment was the first of three, valued in all at Yen 50,000,000. Most of this gold will be deposited in New York. Officials emphasized that the gold was not intended to be an equalization fund but would be used for the settlement of Japan's trade balances.

Japanese Navy Minister Says Warships Superior to Aircraft

The "general misconception" that aircraft are superior to warships was assailed in the Diet in Tokyo, March 2 by Vice-Admiral Mitsumasa Yonai, Minister of the Navy. In formulating its Third Replenishment Program, the Minister said, the Navy has given this theory a wide berth. Efforts will, however, be made to strengthen the air branch of the Navy, as the latter's auxiliary arm.

Japanese Aviation Bureau to Open Next Year

Officials of the Tokyo Ministry of Communications March 5 began preparations for the opening of an independent Aviation Bureau next January. The Bureau will take charge of opening new air routes, training of pilots and development of a strong airplane manufacturing industry.

Inauguration ceremonies of a Yen 5,000,000 society devoted to the promotion of aviation among the young men of Japan will be held in Tokyo on April 29, when Japan celebrates the Emperor's birthday.

Free Immigration for Japan Is Asked in Brazilian House

In a heated speech in the Brazilian Chamber of Deputies in Rio de Janeiro Feb. 26, Deputy Aranaya pressed for immediate abolition of all restrictions on Japanese immigration. An unprecedentedly tumultuous session followed. The proposed new Brazilian immigration bill is intended to provide for replenishment of labor power through permission of immigration in excess of the 2-per cent limitation by means of special contracts with the Federal Government or a state. In regard to immigration in excess of the limitation, however, the approval of the Army General Staff Headquarters is to be required.

N.Y.K. to Build Seven Fast Freighters for Service to Europe

The Nippon Yusen Kaisha Mar. 5. placed an order for the construction of seven 19-knot freighters with the Mitsubishi Heavy Industry Company. The vessels, displacing 7,100 tons each, will be placed on the Japan-Europe line. The first of them will be launched next October, the last in December, 1938.

N. Y. K. Strikers Pray for Heavenly Assistance

Heavenly assistance was invoked March 4 by the striking officers of the Nippon Yusen Kaisha in their avowed efforts to "clarify national polity." Chartering several omnibuses, 58 strikers paid their respects in the plaza before the Imperial Palace, and later prayed in the Meiji and Yasukuni Shrines.

Nippon Yusen Kaisha Strike to Be Settled Amicably

Amicable settlement of the officers' strike aboard the Nippon Yusen Kaisha's vessels was in sight this week, as the Company executives promised representatives of various reactionary societies, acting on behalf of the strikers, to treat the latter in a spirit of generosity. The officials of the N.Y.K. also gave a pledge that no "untoward incidents" would be caused by the concern in the future. The main reason for the stike was the failure of the company to dress its ships last fall, when the Emperor reviewed the Combined Fleet in Osaka Bay.

Japanese Radio Receiving Station Opened Near Osaka

Japan's largest radio receiving station was formally inaugurated Mar. 8 at Ono, near Osaka.

Tokyo Government Urged to Seek New Oil-Fields—Liquefaction Policy Criticized

Assailing the Government's efforts to secure fuel supplies through the expensive liquefaction of coal, members of the Japanese Upper House Mar. 3 urged the inauguration of a vigorous oil prospecting policy.

Japanese Cotton Trading Companies Jealous of Foreign Concerns

The Toyo Cotton Trading Company, the Japan Cotton Trading Company, Gosho and Company and the Naigai Kyodo Shusshi Shosha and other large Japanese cotton trading companies assert that semi-foreign and foreign agents are cutting prices to induce small and medium-sized spinning companies to enter into contracts. Foreign-backed agents, including the Showa Raw Cotton Company, in which Greek capital is invested, the Nichizui Trading Company, partly financed by Swiss interests, and an American trading concern, now control 20 or 30 per cent of Japan's raw cotton imports, and their influence is steadily increasing, the Japanese cotton traders allege.

Privy Council Studies Plan to End Perpetual Lease Dispute

A special committee of the Privy Council in Tokyo Mar. 8 examined and approved an Anglo-Japanese agreement for a settle-

ment of the perpetual lease question. The accord provides for the abolition of perpetual leases held in the former foreign settlements of Kobe, Yokohama and Nagasaki by British subjects and their substitution by titles of ownership or ordinary lease. A similar agreement has been negotiated with the United States.

The Foreign Office, it is stated, will soon initiate negotiations with eight nations for the rendition of the permanent leases held by their citizens in Japan.

India Refuses to Yield on Disputed Points in Cotton Agreement with Japan

A *Reuter* message from Tokyo Mar. 3 pointed out that although seven months have elapsed since conversations for the renewal of the Indo-Japanese Cotton Trade Agreement were opened in Delhi, the negotiations remain deadlocked on three basic trade-adjustment problems. These are: Amount of Indian cotton to be purchased by Japan and the amount of Japanese cotton cloth to be purchased by India; basic cotton-cloth barter quotas; and quotas on imports of Japanese cotton cloth according to categories.

Kikuji Yonezawa, Japanese Consul-General in Delhi, has reported to the Foreign Office that India refuses to yield on these points because it knows that Japan purchases more than 1,500,000 bales of Indian cotton annually.

Japanese Cotton Mills in China Show Great Expansion

According to figures quoted by the *Shanghai Nippo*, there has been a vast expansion of Japanese cotton mills in China lately. Japanese interests are now operating a combined total of 2,122,988 spindles in Shanghai, Tientsin, Tsingtao and Hankow, while the installation of a further 1,151,800 spindles is now being planned.

Japanese Economic Mission Due in Shanghai March 14

The Japanese Economic Mission, headed by Kenji Kodama, is due to arrive in Shanghai March 14 and will proceed to Nanking the same afternoon, accompanied by Chow Tso-min, chairman of the Sino-Japanese Trade Federation in Shanghai.

Wu Ting-chang, Minister of Industry, will be host at a dinner on Monday evening while Dr. H. H. Kung, the Minister of Finance, will entertain the visitors on the following night.

According to the *Chugai*, the Mission upon its arrival in Shanghai will endeavor to secure some kind of agreement with the Chinese authorities concerning the cotton industry. In this connection, hopes are expressed in Tokyo that a Sino-Japanese Joint Commission may be formed in the future as a consulting organ for the rapprochement of the cotton industry between the two countries.

China Development Finance Corp. Made Profit of $1,914,531.62

The third annual meeting of the shareholders of the China Development Finance Corporation was held in Shanghai, Mar. 6 under the chairmanship of Dr. H. H. Kung, Chairman of the Board of Directors.

According to the report of the Board of Supervisors the profit made in 1936 amounted to $1,914,531.62. In the course of the past year, the report stated, the Corporation participated in numerous financial projects for the reconstruction of the country.

In May last year, for instance, the Corporation, in conjunction with the British and Chinese Corporation, secured a loan of £1,100,000 for the Ministry of Railways for the completion of the Shanghai-Hangchow-Ningpo Railway. Prior to the conclusion of the Loan, the China Development Finance Corporation advanced funds for the construction of the Chientang Railway Bridge. Moreover, in order to encourage the utilization of foreign capital for reconstruction, the Corporation secured part of a loan of $56 millions in cash and materials from certain French interests for the Szechuan-Kweichow Railway Company to build the Chengtu-Chungking Railway which extends over a distance of 523 kilometres.

At the request of the Chekiang-Kiangsi Railway Company, the Corporation secured a loan of U.S.$100,000 for the completion of the Chekiang-Kiangsi Railway. In order to assist the development of communications and telegraph enterprises, the report continued, the Corporation, on behalf of the Ministry of Communications, secured a loan of $5 millions last spring for the development of various communications enterprises throughout the country. At the request of the Ministry of Communications, it also secured a loan for the improvement of the telephone system in Nanking.

With reference to public utility enterprises, the Corporation, on behalf of the Kiangsi Provincial Government, obtained a loan of £104,000 for the establishment of an Electric Power and Water Works at Nanchang, provincial capital of Kiangsi.

In conclusion, the report stated that the Corporation has also handled the issue of debentures amounting to $5 millions on behalf of the Wing On Company, Ltd., and a Reconstruction loan of $3 millions on behalf of the Tsingtao Municipal Government.

A total of 25 Directors and 9 Supervisors were elected.

Rules Governing Consolidation of Loans During Nationalist Period Approved

The regulations governing the consolidation of loans floated in various parts of the world during the Nationalist revolution were approved by the Central Political Council this week. More than 150 loans had been issued for the establishment of the National Government in Nanking and these bonds amounted to some $3,400,000. The consolidation schedule proposed by Dr. H. H. Kung, Minister of Finance, provided for the conversion of these loans into revolutionary bonds, the amortization of which, with three per cent annual interest, will be completed in 25 years.

Three Shanghai Banks to Be Reorganized

Important changes in the capital holdings of the National Industrial Bank of China, the Commercial Bank of China, and the Ningpo Commercial and Savings Bank, which were all banks of issue before the currency reform of 1935, were announced by responsible quarters in Shanghai Mar. 7. The existing capital of all the three banks will be heavily written down by no less than 85%, and the new capital in each case will be $4,000,000.

Japan's Banking System as a Pattern for China's Financial Institutions

Japan's banking system will serve as a pattern in the projected reorganization of the Chinese financial institutions, the *Shanghai Nippo* stated Feb. 24. The Central Bank of China will fulfill the functions of the Bank of Japan; the Bank of China will function like the Yokohama Specie Bank, dealing primarily with foreign exchange; and the Bank of Communications will resemble the Industrial Bank of Japan, the daily asserted. This plan, the *Nippo* said, has formed one of the main items of discussion at the recent week's plenary session of the governing committees of the Kuomintang in Nanking.

"If the Chinese Government continues to attach more importance to urban centers than to the agricultural areas in its plans for financial reforms, it is headed for a new serious crisis," the journal declared.

Draft Measures for Reorganization of Central Bank Being Studied

Draft measures for the reorganization of the Central Bank of China into the Central Reserve Bank are being carefully studied by three sub-committees of the Central Political Council in Nanking.

Nanking Said Preparing to Float Huge Bond Issue

According to the Mar. 4 issue of the *Ta Hu Wan Pao*, the Nanking Government is planning to issue National Defense Bonds to the face value of between $300,000,000 and $500,000,000.

British Boxer Funds to Be Used to Finance Machine Works at Chuchow

Upon the recommendation of its Technical and Finance Committees, the Board of Trustees of the Sino-British Boxer Indemnity Refund Commission Mar. 9 approved the request of the Ministry of Railways for a loan of £150,000 for financing the Machine Works at Chuchow. The proposal for the transfer from the Ministry of Industries of the Central Machine Works and two loans of £120,000 and $600,000 respectively to the Ministry of Railways was also adopted by the Board.

San Francisco Branch of the Bank of Canton to Be Re-Opened Shortly

Ho Pao-tsai, a member of the board of directors of the Bank of Canton, departed from Hongkong Mar. 7 for the United States to make preparations for the re-opening of the San Francisco branch of the bank, which was suspended for some time owing to financial difficulty.

Nanking Gives $400,000 Monthly to Kwangsi

Hongkong advices state that Li Tsung-jen and Pai Chung-hsi will assume their posts as commander-in-chief and deputy commander-in-chief of the 5th Route Army on March 15. It is reported that the Central Government has decided to remit $400,000 monthly to the Kwangsi leaders to help cover military expenses.

Kwangtung Provincial Bank Issues Subsidiary Paper Notes

The Kwangtung Provincial Bank, owing to the shortage of small paper notes in the Province and the devaluation of the Shanghai legal tender, has issued more subsidiary paper notes, amounting to $4,500,000, in order to facilitate market circulation, the *Shanghai Mainichi* of Feb. 27 stated.

Japanese Banks to Transfer Silver to Nanking Government?

The question of transferring the silver holdings of the various Japanese Banks in Shanghai to the Nanking Government was touched upon at a dinner party given by Gen. Hayashi, Japanese Premier, in honor of Kenji Kodama, leader of the Japanese Trade Mission to China, in Tokyo Mar. 6. Several members of the Mission favored the transfer, pointing out the precedent of other foreign banks and the small amount of only about $9,000,000 now hoarded by the Japanese Banks.

Movements and Appointments in Diplomatic and Official Circles

Gen. Yu Fei-peng, who was recently promoted from his post as acting Minister to Minister of Communications, formally assumed office Mar. 8 when he addressed the staff of the Ministry at the Weekly Memorial Meeting.

Gen. Hsu Yung-chang, newly appointed Officer-in-Charge of the Military Affairs Commission in succession to the late Gen. Chu Pei-teh, who died of blood-poisoning, assumed his duties Mar. 8.

Dr. H. H. Kung, Minister of Finance, presided over the regular session of the Executive Yuan this week in the absence of Gen. Chiang Kai-shek. Dr. Kung gave a dinner party in honor of Dr. Wang Chung-hui and Gen. Yu Fei-peng, Ministers of Foreign Affairs and Communications, respectively.

The *Hua Mei Wan Pao* says Chen Tien-fan, Chinese Ambassador to Germany will be summoned back and will be succeeded by Chiang Tso-pin, Minister of Interior and former Chinese Ambassador to Japan.

Owing to the death of his father, Dr. Wu Nan-ju, Minister to Denmark, will shortly sail from Copenhagen for China to attend the funeral obsequies. During his absence, the Legation will be in charge of Kung An-ching.

Gen. Ma Chan-shan, famous commander of the anti-Japanese volunteers in Manchuria, arrived in Nanking from Tientsin Mar. 1. together with General Li Tu, former Commander of the Self-Defense Army in Kirin Province.

More than 200 political, diplomatic, industrial and educational leaders attended a large tea party given by Hsu Shih-ying, Chinese Ambassador to Japan, at the Chinese Embassy in Tokyo Mar. 4.

Owing to the pressure of duties, Dr. Chu Chia-hua, chairman of the Chekiang provincial government, has decided to resign from his concurrent post as secretary-general of the Academia Sinica.

Dr. H. H. Kung, Minister of Finance, is expected to make an investigation tour in the Provinces of Hopei, Shantung and Honan prior to his departure for England to participate in the coronation ceremony.

Gen. Hsiao Chen-ying, former Mayor of Tientsin and member of the Hopei-Chahar Political Council, has decided to leave for Europe on April 2 aboard the s.s. *Victoria*. Gen. Hsiao will be accompanied by Liu Fung-chu, former director of the Tientsin Bureau of Social Welfare.

S. Kawagoe, the Japanese Ambassador, made a courtesy call on General Chiang Kai-shek, President of the Military Affairs Commission, at the Central Military Academy in Nanking Mar. 6.

Chao Pi-lien, Vice-Chairman of the Mongolian and Tibetan Affairs Commission, who arrived in Peiping from Nanking Mar. 5, spent the following morning paying courtesy calls on the authorities in the former capital.

General Feng Chih-an, chairman of the Hopei Provincial Administration, who returned to Peiping from Tientsin Mar. 3, visited Hsi Yuan the next morning and inspected his troops stationed there.

General Teng Pao-shan, commander of the new 1st Route Army in Kansu, arrived in Nanking Mar. 7 to solicit instructions from the Central Government authorities.

General Shang Chen, chairman of the Honan provincial government, arrived in Shanghai from Nanking Feb. 26 to receive treatment for his tooth trouble. He returned to Kaifeng after a few days' stay here.

Chen Kuo-fu, chairman of the Kiangsu provincial government, was elected member of the Standing Committee of the Chinese Cooperators Union at its executive committee in Nanking Feb. 24.

Li Chih-kang, member of the Shensi Provincial Government Committee and personal representative of General Yang Hu-cheng, Pacification Commissioner for Sian, called on General Ho Ying-chin, Minister of War in Nanking Feb. 24.

Shao Li-tse, newly appointed Director of the Publicity Department of the Central Kuomintang, will not attend his duties for the time being as he is required to receive medical treatment for his eye trouble.

Gen. Sun Wei-ju, Chairman of the Shensi Provincial Government, returned to Sian Mar. 2 from Nanking by plane. He was accompanied by Gen. Wu Keh-jen, Commander of the 67th Army, and several other divisional commanders under Chang Hsueh-liang.

After attending the Third Plenary Session of the 5th Central Executive Committee at the Capital, General Hsiung Shih-hui, Chairman of the Kiangsi Provincial Government, returned to Nanchang by special train Mar. 1.

Chien Hsin-tse, manager of the Joint Savings Bank, arrived in Nanking Feb. 23 in response to a summons from Gen. Chiang Kai-shek.

In a recent Mandate the National Government appointed Chu Hsueh-fan, Chairman of the General Labor Union, Shanghai, as Chinese labor delegate to the 23rd International Labot Conference in Geneva.

The Executive Yuan Feb. 23 relieved Li Chi-wen from his post as member of the Kwangtung provincial government and appointed Hsin Hsueh-lu as his successor.

Gen. Li Tsung-jen, Pacification Commissioner for Kwangsi, Gen. Pai Chung-hsi, member of the Standing Committee of the Military Affairs Commission, and Gen. Li Pin-hsien were sworn into office as Commander-in-Chief, deputy Commander-in-Chief and chief-of-staff of the Fifth Route Army respectively at a ceremony held at Kweilin on Mar. 1.

At the invitation of General Chang Chun, Minister of Foreign Affairs, the various foreign diplomats at the Capital attended a theatrical performance by Mei Lan-fang, the well-known actor, at the Ta Hua Theatre Feb. 24.

Fan Han-sheng, Consul-General at Seoul, Korea, called on General Chang Chun, Minister of Foreign Affairs, and Messrs. Hsu Mo and Chen Chieh, Political and Administrative Vice-Ministers of Foreign Affairs, Feb. 27.

R. G. Howe, Counsellor of the British Embassy who has been transferred to another post in England following the expiration of his three years of tenure of office in China, bade farewell to Chinese diplomatic authorities in Nanking Feb. 26.

D. Bogomoloff, Soviet Ambassador to China, who proceeded to the U.S.S.R. last year to attend the Soviet Congress, is expected to return to his post in Nanking in the latter part of March.

Sir Hughe Montgomery Knatchbull-Hugessen, the British Ambassador, called on Wang Ching-wei, Chairman of the Central Political Committee, in Nanking Mar. 4. In the course of a 40 minutes' conversation, gratification was expressed mutually over the increasingly friendly relations between the two countries.

Signor Guilano Cora, newly-appointed Italian Ambassador to China, will leave Italy for China at the end of April and is expected to arrive in Shanghai about the middle of May.

Gen. Feng Yu-hsiang Granted 20 Days Leave of Absence

Gen. Feng Yu-hsiang, Vice-Chairman of the Military Affairs Commission, departed Mar. 5 by motor car for Wuhu en route to his home town at Chaohsien in Anhwei where he expects to spend the rest of the month. He has been granted a leave of absence for 20 days.

Colonel Hashimoto Arrives Here from North for Conference

Col. Hashimoto, Chief-of-Staff of the Japanese Garrison in North China, arrived in Shanghai this week from Tientsin for the purpose of conferring with the Japanese authorities here regarding the opinions of the Japanese Garrison in North China via-a-vis the Hopei-Chahar Political Council and the impending visit of the Japanese Economic Mission.

An important conference of Japanese military, naval and foreign officials was held in Shanghai on Mar. 10. It is stated that the conference endeavored to eliminate as much as possible the friction between the Japanese Ambassador and the Japanese military in connection with negotiations with the Chinese authorities.

The Tokyo Navy Office Feb. 26 announced the names of officers who will accompany Admiral Mineo Osumi, former Minister of the Navy, on his trip to China as a Special Inspector of the Third Fleet. The suite will be headed by Rear-Admiral Nobutake Kondo, and will include Captains Masao Kanazawa and Kuninori Marumo and Commander Ryusaku Yanagimoto. The inspection will be made in April.

Japanese military officers met in Tientsin Feb. 24 at the official residence of Lt.-Gen. Tashiro, commander of the Japanese Garrison in North China. It is reported that at the meeting the Japanese officers decided on plans for the military parade on March 10, which is one of the memorial days of the Japanese military.

Chuichi Ohashi, vice-minister of foreign affairs of Manchukuo, departed last week for Vladivostok on a five-month tour of the world.

Colonel Wachi, important staff officer of the Japanese Garrisons in North China, was expected to return to Tientsin this week. Much significance is attached to the return of Colonel Wachi, who, it is reported, brought with him new instructions of the Japanese Government regarding North China.

The new offices of the military attache to the Japanese Embassy to China on Dixwell Road, Shanghai, were formally opened Mar. 10.

Foreign Minister Sato Receives Foreign Envoys

Diplomatic envoys of 27 foreign powers were received in brief, individual conferences by Naotake Sato, the new Japanese Foreign Minister, in Tokyo Mar. 5. Included among the received ambassadors were: Joseph Clark Grew, of the United States; Sir Robert Clive, of Great Britain; and Hsu Shih-ying, of China.

Front Populaire in China

BY CHIEN TSEN HAI (錢振海)

Is a Front Populaire probable in China? Front Populaire, as a masterpiece of tactics, was first initiated by the Third Internationale, later developed in France and then applied with tragic results in Spain. In this country it has given rise to a series of incidents.

Bewildering as it may seem, the tactics used in China have been presented more simply here than anywhere else, namely as a form of alliance, principly of the Kuomintang with the Communist Party, mainly based upon two policies, the creation of a representative democratic government in place of personal dictatorship, and of armed resistance to Japanese aggression, instead of the "roundabout, reluctant, and procrastinating policy."

Ever since the Opium War, (1804) the penetration of foreign influences into China has proceeded in ever-wider dimensions. The external element in every sphere of life assumes an aspect of preponderancy over the internal, as a natural course in an agricultural country, backward in production, when visited by highly industrialized forces from outside. This feature has been strikingly evidenced in over twenty years' of troubled history of the Chinese Republic. External factors invariably take a leading part in every reorientation of political forces. A recent instance of this was the Sian Coup, which is credited to have had its primary motive in the application to China of the Front Populaire—a Soviet form of tactics. It is evident that the anti-Japanese policy assumes far more significance than its internal counterpart, although both are no doubt to be pushed to the full extent, once the alliance has been established. Now, why should the Kuomintang pursue a procrastinating policy and the Communist Party urge immediate resistance even to the cost of so-called self-liquidation? Here really lies the pith of the question, the determining factor in the future of Front Populaire in China. An analysis of the two parties is apropos.

In Communist theory, the Chinese Communist Party, to be properly denominated, is only the Chinese branch of the Communist Internationale. The Comintern pursues as its mission a world proletarian revolution, its present basis for further expansion being Soviet Russia. So the Chinese Communist Party has actually a goal, dual in nature, viz., to fight for Soviet Russia and to fight for Soviet China.

After Lenin's triumph in Russia in 1917, the Comintern was founded in Moscow and under its lead Soviet Revolution was to be extended into Europe. It actually supported and engineered revolutions in Hungary, Germany, Poland and elsewhere, and even had a part in the general strike in Britain in the year 1926. Russia thus became an appalling menace to the stability of Europe and of concern to Britain. Antagonism between the two countries was manufactured. The policy of the Comintern in China was then naturally an anti-British policy. The Chinese Communist Party carried out such a policy to a marvelous success, with subtety and delicacy, so as to win her ascendancy among the many branches under the Comintern in the post-1927 period.

The starting point of anti-British policy was the Nanking Road Tragedy in 1925, when the entente between the Kuomintang and the Communists had been tested already two years. The local excitement over the murder of a Chinese worker by a Japanese in a Japanese mill was utilized and transformed into a mass demonstration in Nanking Road against the British. It is amusing to recall that there was on record a split between Yih Chu-tsang (葉楚傖), (then the leading Kuomintang member in Shanghai) who opposed the demonstration, and Lee Lih-shan, the real Communist plotter of the tragedy. However it was followed by a series of tragedies (in Hankow, Kiukiang, Shameen and elsewhere engineered by the same source) to the climax of a general strike in Hongkong and a national anti-British campaign. This campaign really stimulated and fed the nation-wide mass uproar, a psychological basis for the success of the Northern Punitive Expediton one year later.

In the intervening years conditions have changed and now the Comintern is impelled to adopt an anti-Japanese, (not an anti-British policy) as the only move in China—since there is no other alternative if it should have any policy at all.

The Communist determination to resist Japan is more in the interests of Russia than of China. It would constitute the chief basis for the future "Front Populaire in China," it if should ever materialize.

Ever since 1927, Britain has taken an offensive in anti-Communist campaign in China, partly as a retaliation upon what she suffered in the post-1927 period, though she does not refuse Soviet support in Europe—a paradox, characteristic of British policy anywhere and any time. Purgation of Reds from the Kuomintang was considered not enough; it was aggravated by bold raids upon Soviet interests in Manchuria, leading to the hostilities in 1928. One Final Annihilation Campaign followed another, the annual report of which was submitted to the League. But in 1931, the daring Japanese military adventure on Mukden intervened.

The frenzied Japanese march is to be checked. In such case the Soviet's part would be very important. Britain would rather confine herself to the consolidation and development of her interests in the Yangtsze River Valley and South China. Manchuria and even North China are considered as regions far away from immediate concern. Above all, Britain does not desire a war in the Far East at the present time.

Nanking pursues and still will continue to pursue a "roundabout, reluctant and procrastinating" policy. In the near future, as matters stand now, there promises to be no immediate resistance to Japan on the part of Nanking and hence no "Front Populaire," since it is to be founded upon the anti-Japanese campaign jointly by Kuomintang and the Chinese Communist Party. An exparte move is, however, not enough. But, after all is said, these is an immense possibility for a temporary truce between the Kuomintang and the Reds, since the latter constitutes no immediate menace to the Yangtsze Valley. To assert that this truce or even rapprochement would lead to a joint armed resistance to Japan in the immediate future by no means corresponds to the general policy of the Kuomintang and Great Britain.

Thousands of Refugees Starving in Northern Kansu and Southwestern Honan

All the districts in northern Kansu, including Kanchow, Liangchow and Suchow and more than 40 districts in southwestern Honan are in the grip of a serious famine and thousands of refugees, many of whom are Mongols and Mohammedans, residing north of Chiayukwan in northern Kansu are on the verge of starvation, according to Gen. Chu Ching-lan, chairman of the National Famine Relief Commission.

3,000 Die of Starvation in Szechwan—9,000,000 Refugees in Province

More than 3,000 people in Szechwan have died of cold and hunger during the last two months, according to information reaching Chungking last week. The number of refugees at present has reached 9,000,000 and about 90 per cent of the area in the province is affected by a serious famine.

Over 40 districts in western and northern Honan are suffering from famine, according to General Chu Ching-lan, Chairman of the Gen. Relief Commission. General Chu is seeking the assistance of the various philanthropic bodies in Peiping for the relief of the famine victims in Honan and Kansu. According to Gen. Chu, the majority of the refugees are not only dying from hunger but are also exposed to the cold without any clothing.

Areas where the famine is most serious include Western and Southern Honan and Northern Kansu.

A Honan Drought Relief Committee was inaugurated in Shanghai Mar. 5. Over a hundred prominent civic and official leaders were present, including General Wu Te-chen, Mayor of Greater Shanghai; Pan Kung-chan, Commissioner of Social Affairs; and Wang Hsiao-lai, Chairman of the Shanghai City Chamber of Commerce. General Chang Fang, Commander of the 20th Route Army, who is a native of Honan, presided.

In order to relieve the drought menace in Shensi, the Provincial Department of Reconstruction has secured a loan of $500,000 from the Agricultural Credit Bureau for the drilling of wells.

Nation-Wide Rural Rehabilitation Program Being Pushed by Government

A nation-wide rural rehabilitation program is being carried out in different parts of the country with the object of injecting financial lifeblood into the farmers who are in dire distress, according to a general survey made public in Nanking, Mar. 3.

Hupeh Residents Oppose Closing of Four Gaps North of Tungting Lake

As the result of agitation by the Hupeh residents in Hankow against the proposed closure of four gaps north of Tungting lake, one of the largest lakes in China, the Hunan authorities have temporarity abandoned the plan.

Willow Trees to Be Planted Along Yellow River as Flood Prevention Measure

Willow trees will be planted along the banks of the Yellow River as a flood prevention measure. Special deputies of the Yellow River Conservancy Board have been despatched to the various sections to supervise the planting of the saplings during the spring.

Head Office of C. I. F. R. C. to Be Removed to Shanghai

Effective at midnight on Mar. 31, the Head Office of the China International Famine Relief Commission, which for more than fifteen years has been in Peiping, will be removed to 505 Honan Road, Shanghai. This transfer will be accompanied by a drastic reduction in forces, and in explanation, Dr. John Earl Baker, the Executive Secretary, issued a statement that there is neither the need nor the means at present for large engineering undertakings by the Commission, now that the Government is functioning with comparative efficiency. Hence, the Commission decided to make drastic reductions in forces.

Today these healthy Dionne Quins had Quaker Oats

Keen Appetites like Yvonne's
depend to a great extent on getting enough Vitamin B —nature's natural tonic vitamin for bracing up nerves, digestion, appetite

Dionne Specialists answer which cereal is best for Everyone!

Q-21

● Who is there that would not rely on the greatest vote of confidence ever given to a cereal food —the selection of Quaker Oats for the Dionne Quins? What better proof exists that Quaker Oats is the ideal cereal for all, young and old alike?

Extremely abundant in Vitamin B—*nature's own natural tonic vitamin*, Quaker Oats nourishes, soothes the nerves, aids digestion, offsets constipation—creates sound, healthy appetite. It fortifies the system, builds strong bones, sturdy muscles, firm teeth.

That is why every person should eat Quaker Oats in some delicious form every day, for Vitamin B cannot be stored in the system, it must be replenished daily.

Easy to prepare—now cooks in 2½ minutes.

Photos World © 1936, N. E. A. Service

QUAKER OATS RICH IN NATURE'S TONIC VITAMIN for bracing-up Digestion, Nerves and Appetite

Japanese Community in Shanghai Squabbles Over Municipal Council Candidates

The Japanese Community in Shanghai this week renominated the two present Japanese members of the Shanghai Municipal Council (Takeo Yamamoto, manager of the local branch of the Nippon Yusen Kaisha, and Takue Urabe, manager of the Shanghai office of the Mitsui Bussan Kaisha) for re-election at the elections to be held on April 5 and 6. The *Shanghai Mainichi* commented that the selection of only two candidates, instead of the three nominated last year, did not signify the abandonment of Japanese aspirations to a larger representation on the Council. The Japanese paper incidentally commented: "The miscount of ballots at last year's elections was mainly ascribable to the confusion among the British caused by the heat of the campaign subsequent to the nomination of three Japanese candidates. The British efforts to maintain an absolute majority in the Council resulted in an unprecedented scandal, leading to a new election."

Messrs. Yamamoto and Urabe precipitated a "situation" Mar. 8 by announcing that they had withdrawn their candidacies.

The *Shanghai Nichi-Nichi* attributed their action to their resentment against a series of articles criticizing the present system under which the Japanese candidates for election to the Council are selected.

Under the practice now in force, Japanese candidates are selected by a special committee. According to the critics, this system is "feudalistic" and antiquated. They suggest the calling of a special meeting of Japanese ratepayers or, alternatively, the nomination of candidates by the Japanese Residents' Corporation and the Federation of Amalgamated Japanese Street Unions sitting in plenary sessions. One of them alleged that, at present, only branch managers of local Japanese firms were nominated, leaving the old Japanese residents without suitable representation.

One critic expressed his regret at the inability of some Japanese councillors to make themselves understood by their colleagues or fully to comprehend the Council proceedings.

Extradition of Chinese, Said to Be Koreans, to Japanese Headquarters, Strongly Opposed

BY C. Y. W. MENG 孟昭泳

On February 19, the *Shanghai Evening Post and Mercury* reported a case as follows:—

"Japanese consular police have formally claimed that a man, arrested in Nantao on Wednesday, admitted that he was a Korean named Kim Shen-shou...The prisoner, Japanese officials have further alleged, once was secretary-general of the Korean Revolutionary Salvationist Party. He was also charged with having used the aliases of Kim Kung-shi and Chu Lieh, they declare...The man was being held at Japanese Consular Police headquarters today February 19) for questioning after having been formally extradited from Chinese jurisdiction...Arrested by Chinese detectives at the request of the Japanese Consular authorities on Wednesday evening, the man denied that he was a Korean, stating that he was a Fukien-born Chinese named Tsai Tien-min...He was, however, temporarily handed over to the Japanese police, who questioned him throughout the night. Last night he was taken back to the Chinese Bureau of Police for 10 minutes, when formal extradition papers were filed on the grounds that he was a Korean and subject to Japanese jurisdiction."

But the Chinese papers (see *Sin Wan Pao* of February 19), in reporting the same case, had the following to say:

"Tsai Tien-min, a native of Chuanchow of Fukien Province, aged 36, was arrested at Nantao by Japanese consular police who made the arrest jointly with Chinese detectives of the Chinese Bureau of Police. The arrested man was brought to Chinese detective headquarters, and after preliminary questioning, was sent to the Japanese consular authorities. Yesterday (Feb. 18) Japanese consular authorities brought back the arrested man to the Chinese police bureau with a formal document for extradition. It is claimed by the Japanese side that Tsai Tien-min was originally named Kim Shen-shou, a Korean, and had committed three robbery cases of most serious nature, so he must be tried before he could be sent back to the Chinese authorities 故須嚴鞫後,始能送回云."

No Extradition Before Establishment of Korean Citizenship!

This case, should not be considered one of trifling importance. Our impressions are as follows:—

First: If it could be definitely established that the arrested man is a Korean under Japanese jurisdiction, we would have no objection if the atter was extradited him to Japanese headquarters for trial. But the fact that Japanese consular authorities promised to send him back to the Chinese authorities (送回) is prima facie evidence that such Korean citizenship—which is a necessary condition for extradition—could not be established. What right have Japanese consular authorities to demand extradition, and what right have Chinese municipal authorities to give up jurisdiction over a citizen who should be under Chinese protection?

Secondly—As stated above, the arrested man was accused of having committed three robberies of a most serious nature. But inasmuch as the Japanese consular authorities could not establish his Korean citizenship to the satisfaction of the Chinese public, then, by the provisions of the Sino-Japanese treaty, the arrested man, being a defendant, was entitled to be tried only in a Chinese court, but not in the Japanese consular court, and no question of extradition should arise.

Thirdly—As reported by the *Evening Post*, the arrested man was allegedly connected with the Korean Revolutionary Salvationist Party. Thus the matter becomes a political issue. The arrested man is no longer a criminal, but a "political refugee."

Another Case Cited

It may be the intention of Shanghai Chinese municipal authorities "just to let Japanese authorities examine and try the arrested man." What would be the "fate" of Chinese handed over to Japanese headquarters? The following letter (see *Life Weekly* Vol. 1, No. 26) was written by a Chinese, who was handed over on demand to Japanese military headquarters, detained 32 days and tried and "tortured" by them, to a friend after he had left prison:

"I was arrested on April 21, and was detained at the General Detective Office of the Bureau of Public Safety (in Tientsin). I was locked in a room. On the next day, when a trial was held, I discovered that besides myself, eight other members of the People's National Salvation Association were also held. Talking among ourselves, we decided how to answer questions when examined by the officials. When the hearing was over, we were again locked in a damp and dark prison room. No other examinations followed.

"On April 30, I was suddenly taken out of prison. Four of us were ordered to go up to a motor car. Talking with Chinese soldiers in the car, we discovered that we were being sent by order of Liu Yu-chu, Director of the Bureau of Public Safety, to Japanese Gendarme Headquarters to face 'anti-Japanese charges.' On our way to Japanese headquarters, we asked the soldiers: 'Did we commit any crime, why we are not going to the Chinese Court for trial? Why send us to Japanese headquarters?' These soldiers all expressed their sympathies with us, saying that 'Due to your activities in Tientsin, the Japanese have repeatedly demanded the Mayor (Mr. Hsiao) to arrest anti-Japanese elements. Now, the mayor could not help but send you to Japanese headquarters. You are unfortunate. That is all' We realized the danger ahead, but remained calm.

"After a while a Japanese judge and several Japanese gendarmes came and searched us thoroughly.' We were then put in a prison room.

"On the morning of May 1, I was taken to a room upstairs before the chief of the detective office for examination. There were no other prisoners. Several gendarmes and one Chinese acted as interpreters. After questioning me about my age, native place and address, the Japanese official gave me some written questions as follows:—

When did you join the People's National Salvation Association?
Who is the leader of the Association?
Where are the headquarters of the Association?
Where does the Association get its funds?
What is the internal organization of the Association?
What are the activities of the Association?

and lastly, he asked me to give names, ages, and addresses of members whom I knew.

"I denied I had ever participated in any such activities. I told the official that I merely picked up a handbill on the street, and while reading it, I was arrested. The Japanese ordered the gendarmes to bring forth various torture instruments. First they hand-cuffed me. Then they used a wooden stick to beat me more than 100 times. Nevertheless, I maintained that I was not anti-Japanese.

"Seeing that I was rather reticent in speaking out, the officer ordered more cruel forms of torture. They bound me with ropes, and poured five bottles of water into my nose. I fainted several times. I still denied having joined the People's National Salvation Association. The hearing started at 10 o'clock in the morning, and lasted to 6 o'clock in the evening. I was sent back to the prison room after the hearing.

"In the same room with me there was a man who had attempted to cut the Japanese military telephone wire. Arrested in October, 1935, when he was extradited to the Japanese gendarme headquarters, he remained there 8 or 9 months. Two hearings took place during which he was interrogated by Japanese officials.

"In the next room, there were two peddlers who, in order to earn a living, had borrowed a few dollars from their friends, and had bought a few pairs of stockings with a view to selling them on the street. They tried to sell them in the Japanese Concession (in Tientsin). The stockings bore such words as: 'Promotion of Chinese Native Goods: Boycott Japanese Goods.' They were arrested by Japanese gendarmes and were brought to Japanese gendarme headquarters. For 3 or 4 days, they were beaten and had then been detained for 30 days.

"Altogether not less than 50 or 60 Chinese were detained in Japanese Gendarme Headquarters. So of them were 'Kuomintang members,' some were communists. With the exception of a few thieves, most of them were arrested and detained for no other reason except supposed anti-Japanese activities. All of them suffered torture.

"Each day for eight days, we were tortured. One man was in a critical condition, but he refused to talk.

"We were detained in Japanese gendarme headquarters for 32 days. On June 1, we were sent to the Japanese Military Barracks. There was no trial, and I was locked in a small room, damp, airless and dark. Each of us were given two bowls of rice and one bowl of cold water every day. We were detained in the Japanese barracks for another 24 days.

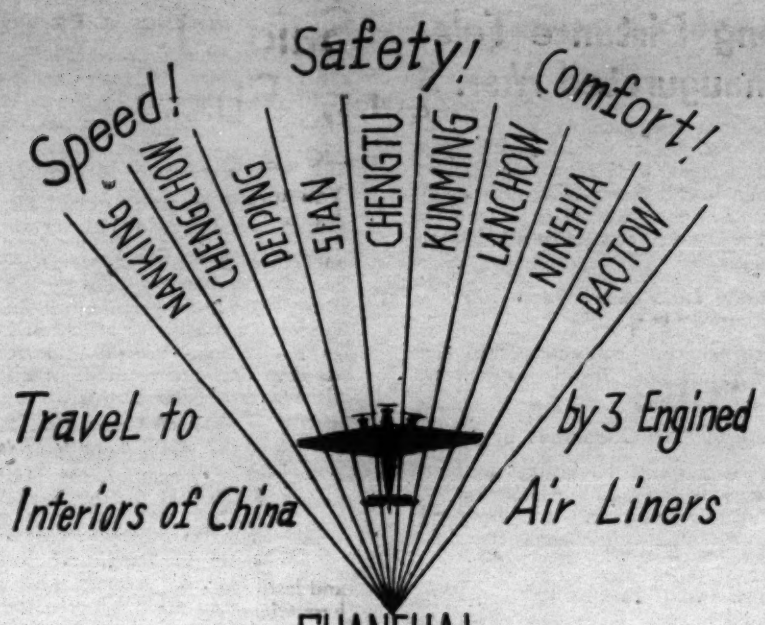
"On June 28, Director Liu resigned and we were again brought back to the Bureau of Public Safety. Again there was no trial. Not long after, the mayor resigned and we together with others were extradited to the District Court on July 28, and on August 9, we were released on bail."

Officials Should Protect People

Such is the bitter experience of unfortunate Chinese in the hands of the Japanese. While it is not our intention to discuss in detail the "Tsai Tien-min Case"; nor to infer definitely that Tsai Tien-min must suffer the same fate at the hands of the Japanese; nevertheless, it is our intention to discuss the general situation, and to point out some glaring facts for consideration of Chinese higher authorities and for the public—Chinese as well as foreign.

First: Recently, on demand from Japanese authorities, arrested Chinese have been handed over by Chinese authorities to Japanese "barracks," "headquarters" or "consular police" for trials. Such a practice must be at once put to an end. It constitutes gross negligence on the part of officials in giving protection to the people.

Usually, the authorities are always most unwilling to "extradite" people arrested in their territory to alien authorities, unless conclusive evidence has been established. But that is not the case when a man is arrested today, and is "extradited" to alien authorities



For

MAIL—PASSENGER—FREIGHT

EURASIA AVIATION CORP.

SHANGHAI 97 JINKEE ROAD PHONE 15780

tomorrow, when the question of citizenship is not settled. In the event of "dual citizenship," it is the general rule that the country which claims his latest citizenship and where he resides or was arrested should have the sole jurisdiction over him. In case of doubtful citizenship, it is also the general rule that the question of citizenship must be settled before extradition can take place.

Secondly; recently, it has also become a "practice" that whenever a Japanese life is endangered either in Chinese territory or in a foreign concession, the Japanese accusation is always that so-and-so is about to be or has been killed by Chinese; and for this reason, unfortunate Chinese are arrested, not by Chinese courts, but by the Japanese authorities themselves. These alleged Chinese "murderers," when arrested, are not sent to Chinese courts for trial, but are detained many days and months in Japanese barracks, headquarters etc., where unfortunate Chinese have to undergo many forms of "torture" with a view to obtaining a confession.

For example: In the Nakayama Case, determined to disapprove widespread belief that the fatal shot had been fired by one the victim's own countrymen, the Landing Party seized a Chinese alleyway sweep who worked close to the scene of the murder and conveyed him to their barracks on Kiangwan Road, where he was illegally detained for several days before being handed over to the Shanghai Municipal Police.

Kuo came into the hands of the Shanghai Municipal Police with visible marks of severe beatings on his body. Kuo told the police that he had been beaten in order to compel him to confess that he had killed Nakayama. But he declared he was entirely innocent. Failing to get a "confession" from Kuo that he was the killer, Japanese officers decided to get him to state he had witnessed the murder of Nakayama and that the slayer who ran off in the dark was "a Chinese." By continuously beating him, the Japanese finally got him to admit this. Having gained this much, the Landing Party turned him over to the Shanghai Municipal Police and he was brought before the First Special District on Nov. 15. However, Kuo in court repudiated the statement he had been compelled to make at Landing Party headquarters and told of "tortures" to which he had been subjected. Instead of giving publicity to the case, the presiding Justice (Judge Hsiao) tried to cover up the Japanese frame-up by ordering newspaper reporters not to publish any account of the proceedings and the only story appeared in a foreign daily. But what we want to point out is that such a practice—the arrest, detention and torture of Chinese by Japanese—should be quickly ended.

Whither Tsai Tien-min?

Thirdly, we strongly urge Chinese authorities to get the Japanese authorities to effect the release of Chinese prisoners to the Chinese courts for trial in accordance with Chinese law. When Tsai Tien-min was first reported extradited to Japanese consular authorities, we made no comment. Now several weeks have passed, and nothing has been heard of the case. We demand that Chinese authorities find out if there are any other Chinese still detained in the Japanese barracks or headquarters, and take immediate steps to effect their release.

Fourthly: It is our hope that the public will be more concerned over such an "intolerable situation." The arrest, detention and torture of Chinese by Japanese are, of course, greatly facilitated by the presence of the so-called Landing Party in Japanese Barracks both in Shanghai and elsewhere and other Japanese police forces.

Another factor which has greatly facilitated Japanese arrest, detention and torture of Chinese is: "silence" and "inaction" on the part of the Chinese public and the Shanghai Community, who permit the Japanese to act without any restraint. There are no protests by Chinese authorities over illegal arrest, detention and torture of Chinese by Japanese; there is not a word of protest by the S.M.C. over the "usurpation" of police rights by the Japanese Landing Party when they arrest, detain people who are under S.M.C. jurisdiction; and lastly, there is no reaction from the Shanghai Community to the "torture" existing. This unfortunate situation must be remedied.

Nanking, Mar. 5, 1937.

Report on Chicago Exposition Made to Dr. H. H. Kung by Chinese Representatives

China's participation in the Chicago Exposition and the latest developments in child welfare work in the United States were reported to Dr. H. H. Kung, Minister of Finance, by Messrs. Tung Kun-pan and Tung Kwang-ying, representatives to the last World Fair, on their arrival in Nanking Mar. 4. Bringing with them letters of thanks from the President of Oberlin College, of which Dr. Kung is an alumnus, and the treasurer of the China International Famine Relief Commission, the two delegates also informed the Finance Minister of plans now being made for China's participation in the 1940 exposition to be held in America in commemoration of the founding of the Union by George Washington.

Hankow-Sian Long Distance Telephone Service Inaugurated Mar. 5

The Hankow-Sian long distance telephone service was inaugurated Mar. 5 with various Government officials exchanging greetings. The entire line from Shanghai to Sian is now open to the public. The fee for three-minute call from Chinese territory in Shanghai to Sian is $5. An extra charge of 50 cents will be made on calls to and from the International Settlement and French Concession.

Sian and Taiyuan Telephone Line to Be Opened to Traffic April 1

The special long-distance telephone line connecting Sian and Taiyuan, provincial capitals of Shensi and Shansi respectively, will be opened to traffic on April 1.

Porcelain Factory at Kiukiang to Start Ooerations in July

The Kwang Ta Porcelain Factory in Kiukiang, northern Kiangsi, which is capitalized at $1,000,000, will commence the manufacture of porcelain ware in July this year. It is equipped with the most-up-to-date machinery and will be the largest porcelain factory in the country.

N. E. C. to Build Cotton Mill in Changsu

The Changsu (Kiangsu) branch of the National Economic Council is planning to invest a sum of $1,000,000 for the establishment of a cotton mill in that center.

Min Foong Paper Mill Increases Capital

The Min Foong paper mill has increased its capital from $1,250,000 to $3,000,000. Two more machines have been purchased from Germany at a cost of $800,000 each for the expansion of the production of the mill.

More Steamers Wanted for Amoy-Manila Service

Li Shih-lin, Mayor of Amoy, has sent a request to the Ministry of Communications asking that more steamships be placed on the Amoy-Manila service to facilitate passenger and freight transportation between Fukien and the Philippine Islands.

Bridge at Loyang Will Be Completed This Summer

The gigantic bridge over the Lo Ho (river) outside Loyang on which construction work was started last year, will be completed in June this year. On the instructions on General Chiang Kai-shek, the bridge will be named after President Lin Sen, who will personally attend the inauguration ceremony this summer.

Shanghai-Berlin Radio Phone to Be Formally Inaugurated in Near Future

All technical preparations for the projected Shanghai-Berlin radio phone service have practically been completed and the formal inauguration is expected either late in March or early in April next, it is learned from the Ministry of Communications.

Rich Coal Deposits Found in Shensi

Unusually rich coal deposits are located at Tungkuan in Central Shensi, according to Kao Kwan-chien, mining expert attached to the provincial Reconstruction Department, who recently concluded a survey of the coal fields there.

"Tiger Balm" Magnate to Open Coal Mine in Kwangtung

Hu Wen-hu, "Tiger Balm" magnate, who is known as the wealthiest Chinese merchant in Singapore, has organized a mining company to work coal deposits located on Yangmeishan, on the Kwangtung-Kwangsi border.

Increased Export of Black and Green Tea—Mostly Goes to North African Ports

A total of 297,174.86 quintals of black and green tea was exported through the port of Shanghai in the past year, representing an increase of 6,851.95 quintals over the figure of 290,322,91 quintals for 1935, according to statistics released by the Commercial Commodities Testing Bureau of the Ministry of Industries Mar. 5.

Lead Mines to Be Opened in Shensi

Following the announcement that the rich coal resources in central Shensi will be exploited, reports have reached Sian that persmission has been granted by the Ministry of Industry to a mining syndicate to develop the lead mines in Meihsien, west Shensi.

Thoroughfares of Sian to Be Surfaced with Concrete

The Municipal Government of Sian is planning to transform the city, once the capital of China in the Sui and Tang Dynasties, into a modern city. As a first step toward the goal, the main thoroughfares in the city will be resurfaced with reinforced concrets.

Ministry of Industry to Organize Artificial Silk Factory

The Ministry of Industry has decided to establish an artificial silk factory in Wusih with a capital of $4,000,000.

Szechwan to Establish Sugar Refinery

The Szechwan Provincial Government has decided to build a sugar refinery. A representative of Lu Tso-fu, Commissioner of Reconstruction for Szechwan, came to Nanking this week to negotiate with various financial leaders regarding the financing of the plan.

Kweichow to Exploit Quicksilver Mine

The Kweichow Provincial Department of Reconstruction has decided to exploit the quicksilver mine in Shengki, eastern Kweichow,

Chiaotungpu to Carry Out Plans for Wenchow Paper Mill

The Ministry of Industries will shortly establish an office in Shanghai to make preparations for the establishment of the projected paper mill in Wenchow in southern Chekiang, according to Dr. Y. T. Tsur, Vice-Minister of Industries who returned to Nanking Mar. 8 after the completion of an inspection of the site of the projected factory there.

$200,000 Granted for Roads at Whampoa

To hasten the realization of the project for the development of the port of Whampoa, the Ministry of Railways has granted a subsidy of $200,000 for the building of roads to the port.

Szechuen-Shensi Highway Completed

Work on the Szechuan-Shensi Interprovincial Highway was completed Mar. 2. Arrangements for through traffic on the new road have been made between the Szechuan Provincial Highway Bureau and the National North-western Highway Bureau. The whole line will be opened to traffic on the 15th inst.

Peiping-Liaoning Railway in Financial Difficulties

Serious attention is paid by the Ministry of Railways to the operations of the Peiping-Liaoning Railway which is stated to be in financial difficulties because of business depression.

Originally one of the most prosperous railway lines owned by the Chinese Government, the Peiping-Liaoning Railway received a serious setback in 1931 when its Shanhaikwan-Mukden section was seized by the "Manchukuo" authorities. The creation of the "East Hopei Autonomous Council" with alien support in November 1935 dealt the line another severe blow. The section of the railway passing through the jurisdiction of the bogus regime was in constant danger of being seized, and it was not until repeated negotiations were made that an agreement was reached whereby the railway would pay an annual sum of $100,000 to the East Hopei regime as the price for non-interference.

The general trade slump and the unstable conditions in North China are further factors for the business depression of its main communications line.

Lunghai Railway Revenue Shows Increase

Despite the loss of $1,000,000 in revenue as a result of the Sian revolt, the Lunghai Railway during the 25th fiscal year made a profit of $17,130,000, representing an increase of $2,000,000 over that of the corresponding period of the previous year.

Tientsin-Pukow Railway to Purchase More Rolling Stock

The Tientsin-Pukow Railway Administration has drafted a three year program for the improvement of its facilities and purchasing of more rolling stocks for the line.

Kiangsi Railway Benefits from British Boxer Fund

Acceding to the request of the Ministry of Railways, the Hwai River Conservancy Commission has transferred the remaining 130,000 pounds sterling of its loan from the Sino-British Boxer Indemnity Fund Board to the Nanking-Kiangsi Railway for the purchase of railway materials for the projected Hsuancheng-Kweichi line.

Chientang River Bridge to Be Formally Inaugurated Oct. 10

The new iron bridge of the Shanghai-Hangchow-Ningpo Railway spanning the Chientang River will be officially inaugurated on Oct. 10, National Independence Day. The construction work, which has been in progress for the past year, will be completed at the end of June, according to Dr. Mao I-sheng, engineer-in-charge. Through traffic arrangements between the three railways, namely, the Shanghai-Hangchow-Ningpo, Chekiang-Kiangsi and Canton-Hankow Railways will also be instituted on Oct. 10.

Victims of Train Tragedy at Canton Demand Compensation

A demand that $200,000 be granted to families of the victims of the recent Canton-Kowloon train tragedy was contained in a petition filed by the former with the Ministry of Railways Mar. 4.

Three New Lines Projected for South China Railway Network

The construction of three new railways, Nanking-Canton, Swatow-Changhow and Canton-Kunming Lines, is the latest project of the Ministry of Railways, which has obtained the cooperation of the Kwangtung, Kwangsi, Fukien and Yunnan provincial authorities. Among these new lines, which will greatly

facilitate the development of communications in densely populated South China, the Nanking-Canton Railway will be first to be constructed. The construction cost is estimated at more than $20,000,000.

Shanghai Industrialists Proceed to Hainan Island to Plan Development

Interest in the projected development of Hainan Island, off Kwangtung province, has been fanned by the recent visit there of a big group of industrialists from Shanghai. This group is the forerunner of others interested in the development of the island.

Members of the group expressed the view that the island would prove a fertile field for industrial enterprises, especially in regard to cotton, rubber, sugar, tin, copper and wolfram. The most urgent need of the island at present is the opening of roads and rail communication with the interior and of modern harbors for shipping.

Hainan island, situated to the south of Kwangtung province, is commonly known to the Chinese as Kiungyai or Chuyai. It faces Annam in the west, the Malay Archipelago in the south, the Philippine Islands in the southeast, and Luichow Peninsula of Kwangtung in the north. The whole island is estimated to occupy 97,198 square li and is chiefly inhabitated by the Hans and the Li tribes. Out of the population of 3,000,000 about 500,000 belong to the Li tribe.

Because of its strategic importance and great economic potentialities, Hainan Island, must be defended at all cost, declared the Nanking *Hsin Chin Jih Pao*, in a leading article in a recent issue. Since the Pakhoi incident, the paper said, Hainan Island has attracted both national and international attention. In Japan, the island is regarded as the best base for her southward policy. Therefore, during the Pakhoi trouble a number of youthful Japanese army officers asked the Foreign Office and the Japanese Navy why the island was not occupied outright.

Whereupon a large number of Japanese men-of-war were despatched to Haikou, the most important commercial harbor in northern Hainan Island, which is situated at the neck of the Hainan Strait directly east of the Bay of Tonkin. Meanwhile, one of the demands the Japanese Gaimusho made on China last year was the right to station troops at ports along the Yangtsze River and on Hainan Island.

Although Japan's demands and activities regarding the island have so far proved fruitless, they have revealed her aggressive ambitions which, the paper said, should be reason enough for Chinese worries.

Malayan Chinese to Assist in Development of Hainan Island

Following the lead of the Nanking Government, Chinese in Malaya are taking steps to assist actively in the development of Hainan Island, China's largest insular possession. A group of Malayan Hainanese have provisionally formed a $1,000,000 (Chinese currency) company to engage in rubber, coconut, sugar cane and tung oil plantation, and also in various mineral projects, including tin-mining.

This is not the first project of Hainanese businessmen in Malaya in enterprises in their island home. Many of them have interests in landed property and industrial concerns there. In fact, several are operating tin mines and planting rubber in the island. Most of the tin and rubber is exported to Canton, and some to Hongkong. The monthly output of rubber is estimated at between 1,000 and 2,000 piculs.

China to Participate in World Commercial Conference

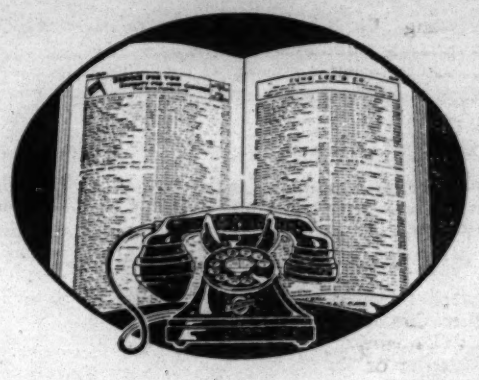
The China National Committee of the International Chambers of Commerce is contemplating the dispatch of delegates to the forthcoming 9th Congress of the International Chambers of Commerce which will be held at Berlin from June 28 to July 3, it is learned from local commercial circles. The Committee is understood to have received from the Headquarters of the International Chambers of Commerce at Paris a provisional program of the conference, which will be devoted to the discussion of major problem of world economic policy.

Central Bank of China "Bulletin" Contains Much Valuable Information

The always informative *Bulletin* of the Central Bank of China (December 1936 issue) contains the following articles:—China's Financial Reforms in 1936, by Y. L. Foo, Director of the Economic Research Department; Modern Banknotes in China (1901 to end of 1936), by E. Kann; A Review of China's Currency Reform, by L. T. Shen; Domestic, Foreign and Railway Loans of China as of Jan. 1, 1937.

The documentary details include Revised Provisional Regulations Governing Punishment for Evasion of Customs Duties, and Regulations Governing the Collection of Consolidated Tax on Alcohol (Approved by the Legislative Yuan on Sept. 15, 1936).

The New
TELEPHONE DIRECTORY



GOES TO PRESS - *SOON*

Make Sure You Are In It

Being in the new Telephone Directory means you will be enjoying the time-saving, money-saving advantages of Telephone service... plus its conveniences and the protection it gives.

Being in the Directory also means that your friends and associates can find you and get in touch with you. It means making sure of your incoming calls

The New Directory Goes To Press March 30, 1937

Order your Telephone now... from our Business Offices (94090) or from any of our Employees.

SHANGHAI TELEPHONE COMPANY
232 KIANGSE ROAD TELEPHONE 94090

Spanish Ammunition Ship Sunk by Insurgents in Bay of Biscay

The cruiser *Canarias*, active in behalf of the Spanish insurgents, on the night of Mar. 8 in the Bay of Biscay sank the Spanish s.s. *Mar-Cantabrico* which was carrying a cargo of guns, cartridges and food from Mexico to the Spanish Loyalists. The ship sank after being torpedoed. It was the same vessel which proceeded from New York to Spain with a cargo of airplane parts which were loaded in haste to evade the Government ban on war merchandise which Congress made operative early this year. Despite this incident the Mexican Government announces that it will continue to send ships with ammunition to Spain.

British Steamer Refuses Order of Spanish Insurgents to Proceed to Ceuta

The British steamer *Springwear*, en route to Spanish ports, was stopped in the Straits by an insurgent trawler and ordered to proceed to Ceuta. The Captain, however, refused to comply with the order and steamed rapidly towards Gibraltar. Scarcely a day passes, it is reported, without insurgent warships detaining a foreign vessel, the majority of them being Danish or Norwegian, and taking them to Ceuta where they are compelled to discharge their cargoes and later released.

Refugees to Be Evacuated from Spanish Capital

Hundreds of refugees in the foreign embassies and legations in Madrid will be evacuated, it was reported Mar. 7, because Madrid's food supply has dwindled to the starvation point. Meanwhile the evacuation committee hastened the removal of other civilians following recent military advances. The insurgents, it was reported, were prepared to risk the outcome of the civil war on a last gigantic mass assault on the capital city.

British Naval Co-operation with U.S. Recommended

Too much attention is being paid to the German "bogey" and what is wanted is British and American naval co-operation, according to Lord Lothian in a debate in the House of Lords Mar. 3 the foreign policy.

Italy Blames Necessity for Further Arming on Britain

The implication that Britain's vast-scale rearmament program is responsible for the military decisions taken last week by the Fascist Grand Council was unanimously made by all Italian papers. "Italy is forced to make new sacrifices because of the extensive rearmament of others. Fascist Italy does not lead the armaments race, she merely follows it" the semi-official *Giornale d'Italia* said.

United States Will Close Legation in Ethiopia Mar. 31

The U.S. Department of State announced Mar. 5 that it was closing the United States Legation at Addis Ababa, terminating this country's representation in Ethiopia on Mar. 31.

A vigorous denial that Italian troops massacred all Abyssinians present at the scene of the attempt on the life of Marshal Rodolfo Graziani, Viceroy of Ethiopia, in Addis Ababa on Feb. 19, was issued in Rome Mar. 6.

U. S. Secretary of State Hull at Washington, D.C., Mar. 7 denied a rumor that the Italians had massacred 160 Ethiopians who had taken refuge in the U. S. Legation at Addis Ababa, following the attack on Marshal Graziani. He admitted, however, that the U. S. Minister had requested of the Italian authorities permission for the evacuation of a number of Ethiopians who had taken refuge in the Legation. The evacuation took place without bloodshed.

Germany's Secret Debt on Account of Rearmament

Revelations of a so-called secret debt of about $2,000,000,000 on account of Germany's rearmament and employment program were made by the Secruities and Exchange Commission in New York Mar. 2.

The Vital Position of Shipping in Britain's Imperial Defense

A resolution drawing attention to the "vital position of British shipping in any scheme of Imperial defense" was passed at the annual meeting in London, Feb. 25 of the Chamber of Shipping of the United Kingdom. The resolution was moved by Lorn Essendon, chairman of Farness, Withy and Co. and other shipping interests.

Japanese Cruiser to Take Part in Spithead Review

Accepting the invitation of the British Government, the Japanese Admiralty Mar. 2 decided to send the 10,000-ton cruiser *Ashigara* to England, where she will participate in the naval review off Spithead on May 20 marking the coronation of King George VI.

Britain Not Prepared to Consider Transfer of Colonies to Germany

Great Britain is not prepared to consider any transfer of colonies to Germans, Anthony Eden, British Foreign Secretary, declared before the House of Commons Mar. 2, in the course of a speech answering the address delivered two days earlier at the opening of the Leipzig Fair by Herr Joachim Von Ribbentrop, Reich's Ambassador to London, who made at the time a strong plea for the return of former German colonies.

Conference at Geneva Discusses World's Supply of Raw Materials

A conference attended by the delegates of sixteen nations was opened in Geneva Mar. 8 to study officially "equal commercial access for all nations to certain raw materials," Germany and Italy are boycotting the conference, although a non-member of the League of Nations (Japan) is attending.

Sir Frederick Leith-Ross, Chief Economic Adviser to the British Government, who was in China recently, presented the British case.

Singapore Base Is Discussed in House of Commons

The Singapore Base inspired brisk exchanges in the House of Commons Mar. 3, when a Labor member enquired when the work would be finished, and also asked for certain financial details.

Replying on behalf of the Government, Kenneth Lindsay, Civil Lord of the Admiralty, said it was anticipated that the Base would be ready for general use during the financial year 1939. Expenditure till January 31 this year was £5,856,000, and the total estimate was over £11,000,000.

Gordon Highlanders Due in Singapore April 3

The 2nd Battalion, Gordon Highlanders, is due to arrive in Singapore on April 3 from Gibraltar. The arrival of the Gordons will bring the strength of the Infantry on the island up to a brigade.

Further Protest to Be Made to Rome on Isis Theatre Incident

It was stated during the week that the Nanking Government will instruct General Liu Wen-tao, Chinese Minister to Rome, to present another protest to the Italian Government in connection with the raid on the Isis Theatre in Shanghai Feb. 20—the reply to the first protest not being considered satisfactory.

Italian Reply Denies Marines' Connection in Isis Attack

A formal reply was given to the Ministry of Foreign Affairs by the Italian Embassy flatly denying the participation of the Italian marines in the Isis attack. It was pointed out in the reply that the responsibility for the attack on the Isis Theatre could not be placed on the Italian marines, since no evidence has been obtained to prove that the attackers were Italian marines. The *Hwa Mei Wan Pao* in publishing this report said much indignation had been caused in the Nanking reply, and it understood that the Waichiaopu would file another strong protest.

Nanking to Get Italian Financial Advisor

Responding to a request submitted by the Nanking Government, Italy has decided to send Albert de Stefani, former finance minister in the cabinet of Signor Mussolini, to China in the capacity of financial advisor, the Shanghai *Nichi-Nichi* of March 5 stated.

Japan Counts on Italy to Join in Anti-Comintern Drives

The *Tokyo Yomiuri* Feb. 28 stated that Kojiro Inoue, counsellor of the Japanese Embassy in Berlin, and Mr. Kobayashi, of the Home Office, and Japanese members of the committee, have at various times in the preceding month interviewed Foreign Vice-Minister Hoff and other German members to exchange information on the activities of the Communist International. As the result of discussions concerning the question of inviting a third Power to join the anti-Comintern pact in accordance with Article 2, conducted at these meetings, it has been decided recently that Germany and Japan should make the move toward Italy. In regard to the date on which the action should be taken, the two Governments are expected to wait until conclusion of the Italo-Japanese commercial agreement, being negotiated at home, some time in March. Immediately upon signing of the agreement, the two Governments will formally invite Italy to join the anti-Comintern alliance.

In view of the friendly attitude which the Italian Government has recently been showing in the negotiations for the commercial agreement, the Japanese Foreign Office believes that participation of Italy in the anti-Comintern drive is a certainty.

British Government Deaf to Criticisms of Chinese Court Procedure

Sir Cecil Hanbury, who was at one time engaged in business in Shanghai, drew attention in the British House of Commons Mar. 8 to what he described as the damage to British commercial interests because of the impossibility of obtaining prompt redress from Chinese courts in case of default in the repayment of sums advanced to Chinese.

Viscount Cranborne replied that the matter had been the subject of correspondence between the Consular body at Shanghai and General Wu Te-chen, Mayor of Greater Shanghai, who had stated that, in ordinary cases, the foreclosure law provided for the disallowance of appeals designed to prolong litigation. It did not appear, he said, that representations by the British Ambassador, Sir Hughe Knatchbull-Hugessen, were at present called for.

"Milwaukee Journal" Pays Merited Tribute to Dr. Sao-ke Alfred Sze

The following paragraphs are extracts from an article which appeared in the Jan. 27 issue of the Milwaukee Journal, in which a well-merited tribute was paid to Dr. Sao-ke Alfred Sze, Chinese Ambassador to the United States.

Dr. Sze is one of the really big men in Washington's corp. of foreign diplomats. He would be outstanding in any profession. He is a hard worker. He is kindly. He is friendly and honest. He possesses personality. He has always placed country before self.

The Chinese ambassador is nearly six feet tall, is well proportioned and dignified. His dark hair is grayed only slightly at the temples. He has a round, happy countenance. Friendly, yet searching eyes peer at you from behind spectacles. He seldom makes a contact without making a friend, which is one of the secrets of his success.

Some foreign diplomats are never called anything other than "Mr. Ambassador" or "Mr. Minister," but Dr. Sze in many places is known by his first name.

Dr. Sze is one of the very few foreign diplomats educated in the U.S. He went from high school to Cornell University, where he was graduated in 1901 with the degrees of B.A. and M.A. Except for one year, while he was at the university, when he was detached by his government and sent to Russia, Dr. Sze was in the United States almost constantly between 1893 and 1902.

Dr. Sao-ke Alfred Sze

Then came 12 years of home service in China, following which Dr. Sze began his climb to fame. In 1914, when he was not yet 40, Dr. Sze was appointed minister to Great Britain. This was but a scant two years following China's establishment as a republic.

In 1921, Dr. Sze was appointed minister to the United States. He headed the Chinese delegation to the Washington arms conference in 1921 and 1922. He remained until 1929, then again became minister to Great Britain. He served in London until 1932, when, broken in health, he resigned and prepared to return home. He was stopped in Washington, however; again became minister and stayed to see China's legation elevated to an embassy.

Dr. Sze retires with the knowledge that he has broken several Chinese diplomatic records and that he has actually saved his government more money than he has ever received from it. He has served longer in Washington and London than any other Chinese diplomat and has the longest record for continuous diplomatic esrvice.

In 1925, 1926 and 1927, when China was torn with civil strife and three distinct governments were operating from Peiping, Hankow and Canton, he served all three in Washington. He served without salary and personally paid all expenses of the legation. It was a favorite quip to ask Dr. Sze just which government he was representing. He would bow gravely and smile, "I represent the entity of China."

Some years later, when Frank B. Kellogg was in England to receive a degree from Oxford university, he met Dr. Sze and praised him highly. Mr. Kellogg said on that occasion:

"Dr. Sze, I want to tell you something which I could not say when I was Secretary of State. I have great admiration for you. I know something of your difficulties when you had more than one government to serve, received no remuneration from any of them and carried on for more than two years on your own resources. You thought I did not know anything about it, but I have all the more respect for you that you had the courage to carry on."

When Dr. Sze returns to China he will be accompanied by his wife and youngest daughter, Alice. Two sons are in Shanghai. One of them is a banker and the other a doctor. The second daughter, Julia, will complete her studies in Cornell university, where she is a junior.

A UNIVERSITY EDUCATION

Study by correspondence in the quiet of your own home in Arts-Science-Commerce-Philosophy, leading to Bachelor and Post-Graduate degrees thru the American University, Chartered by the State of Delaware, U.S.A. Write for further information to:—Registrar, University Extension, P.O. Box 180, Kuala Lumpur, F.M.S,

For Fast and Efficient Radio Telegraph Service to all Parts of the World Send

RADIOGRAMS

"Via RCA"

RADIO IS THE QUICKEST AND MOST RELIABLE MEDIUM FOR ALL TELEGRAPHIC COMMUNICATIONS. IT HAS BROUGHT ABOUT RATE REDUCTIONS AND INAUGURATED NEW CLASSES OF SERVICE TO MANY COUNTRIES. . . .

In CHINA file your messages "via CGRA—RCA"

(Chinese Government Radio Administration R.C.A. Communications, Inc.)

R.C.A. Communications, Inc.

(A Radio Corporation of America Service)

HEAD OFFICE FOR CHINA:— TEL. NO.
201-202 Sassoon House, Shanghai 19251

AGENCIES:—
Tientsin: 65 Consular Road Tel: 31430
Hankow: N. K. K. Bldg. 1 Bund Tel: 21773
Hongkong: Dina House Tel: 30692

GASOLINE
SOCONY
GARGOYLE
Mobiloil
MOTOR OILS

PRODUCE
RELIABLE RESULTS

STANDARD-VACUUM OIL CO.

Record Haul of Opium Made in New York on Shanghai-Bound Ship

A record haul of opium was confiscated by Treasury officials in New York harbor Mar. 7 from the British steamer *Taybank* on the eve of the vessel's departure for Shanghai. The consignment, valued at between $200,000 and $500,000, was hidden in 12,000 small tin containers. A writ of $90,000 was filed against the ship to prevent her from departing for Shanghai the same day. A Chinese carpenter and two Malayan members of the crew were arrested.

Another Bank Line vessel, the m.v. *Lossiebank*, is involved in a drug scandal. Said motor ship arrived in Shanghai Feb. 27. On Mar. 6 Hong Siao Fah, the ship's carpenter, who claims birth in Hongkong and therefore is a British subject, was arrested after having confessed to having smuggled opium on board said ship. He was formally charged at the British Police Court here, but no proceedings were taken, as he was not amenable to the Court's jurisdiction here except insofar as he was a seaman on a British ship. Evidence was given that Hong had admitted loading 70 tins of opium on the ship. Magistrate Haines made an order that Hong be handed over to the Chinese authorities to be dealt with according to Chinese law.

Shanghai Settlement Authorities Powerless to Stop Execution of Drug Addicts

A special article in the *Shanghai Times* Mar. 6 called attention to the fact that the Provisional Regulations Governing the Punishment of Narcotic Offenders have now become a part of recognized Chinese law and a sentence of death may be executed upon any resident of the Settlement not possessing extrality rights and who manufactures, trafficks or fails to cure himself of the habit of using morphine, cocaine, heroin or pills containing these drugs. The first sentence of death was meted out to a narcotic manufacturer last week—the first such ruling by the First Special District Court—but legally the door is open to executions of offenders on a large scale.

It was revealed that no special arrangements have been made, nor sought between the Shangnai Municipal Council and the authorities at Nanking regarding a modification of the dire penalties upon offenders arrested and charged by the S.M.P. By treaty rights the Chinese Government is invested with jurisdiction over its citizens in the International Settlement according to Chinese law.

"There it is," said Stirling Fessenden, Secretary General of the S.M.C., when approached for an explanation of the status this week. "It is Chinese law and no matter how shocking these penalties are to the Western mind, we have no right to interfere."

The first death penalty under the newly-promulgated narcotic laws was imposed by Judge Foo, in the First Special District Court in the Shanghai Foreign Settlement Mar. 5 on Lee Tze-pao a 31-year-old Chinese narcotic manufacturer. At the same time the female accomplice of the man sentenced to death was ordered to be imprisoned for 15 years.

About a fortnight ago an opium addict was sentenced to life imprisonment. The death penalty imposed on Lee was the first to be passed under the new Government Regulations. Lee and the woman were arrested in a raid carried out on a warrant by detectives of Sinza Police Station. The detectives broke into an upstairs room of House 73, Lane 342 Myburgh Road, and there, in addition to arresting the man and the woman, seized a large quantity of red pills, raw material and paraphernalia used in manufacturing red pills.

72 Districts in Shensi Rid of Opium

Seventy-two districts in Shensi have been rid of poppy as a result of the opium-suppression campaign launched by the authorities, according to latest statistics from Sian.

Generalissimo Urges Rigid Enforcement of Anti-Opium Laws

Gen. Chiang Kai-shek issued Mar. 4 issued an identical order to all provincial and municipal governments requiring that severe punishment be meted out to any official who fails to enforce the anti-opium and anti-drug laws of the Central Government.

Mayor La Guardia Attacks Herr Hitler—U. S. Makes Formal Apology

The United States Government apologized to Germany Mar. 6 for remarks made by F. H. LaGuarda, Mayor of New York, two days earlier about Herr Hitler, whom he described as "the brown-shirted fanatic who is now menacing the peace of the world." The speech was made to the women's division of the American Jewish Congress, in which the Mayor suggested that the 1939 World's Fair to be held in New York, include a "chamber of horrors" in which the Reichsfuhrer, Herr Adolf Hitler, would be the principal exhibit.

The apology to Germany took the form of a verbal statement by James S. Dunn, Chief of the West European Affairs Division of the State Department, to Dr. H. Thomsen, Counsellor of the German Embassy. Mr. Dunn said he most earnestly deprecated utterances which offended the German Government. Those did not represent the attitude of the American Government, but he emphasized the right of free speech in the United States which was "guaranteed by the Constitution to every citizen and cherished as part of the national heritage."

Mayor LaGuardia showed no signs of contrition despite the apology by the Department of State.

"I still stand by what I said," he declared, "and I repeat it again."

The Nazi newspaper *Angriff* delivered a violent attack against Mr. LaGuardia, of Italian extraction, whom he described as an "insolent Jew."

"This stupid vulgarity," says the *Deutsche Allgemeine Zeitung*, "must not be ignored by Washington. We expect suitable measures."

The official National-Socialist party organ, the *Volkischer Beobachter*, said that "in states governed by modern principles, criminals such as LaGuardia would certainly be rendered harmless through their confinement either in an insane asylum or prison."

Mayor LaGuardia's attack on Herr Hitler is attributed generally to his desire to curry favor with the large Jewish vote in New York in his forthcoming campaign for re-election.

70,000 Idle in New Motor Strikes in United States

"Sit-down" strikes at the Chrysler Motor Co., Hudson Motor Co., Chevrolet Motor Co. and Fisher Body Corporation plants in Detroit Mar. 8 rendered more than 50,000 workers idle in strikes called after the United Automobile Workers had failed to negotiate settlements with the General Motors and Chrysler companies.

District Attorney in California Wounded by Strike Sympathizers

Buron Fitts, the District Attorney, who recently obtained indictments against 400 "sit-down" strikers in the Douglas Aircraft plant at Santa Monica, was shot in the fore-arm at Monrovia, Cal., Mar. 7 when three men in a small sedan fired several shots into his automobile.

"President Coolidge" in Collision at San Francisco

The Dollar liner *President Coolidge* collided with the 6,000-ton oil tanker *Frank H. Buck*, in a dense fog beneath the Golden Gate bridge in San Francisco, Mar. 6. The liner, which was proceeding to the Far East with 678 passengers at the time, was badly damaged at its bow and returned to San Francisco.

U.S. Citizenship to Be Conferred on Samoans

The Senate Committee on Territories and Insular Affairs Mar. 1 reported favorably the bill sponsored by Senator Millard Tydings from Maryland, to grant civil government and United States citizenship to the residents of Samoa.

American Banks to Invest in Forthcoming French Loan?

U.S. Secretary of Treasury Morgenthau, and the French Premier, Leon Blum, have reached an understanding which would allow American banks to invest in France's forthcoming defence loan without violating the Johnson Act, it was reported unofficially in Paris Mar. 6.

Later the U.S. Treasury declined to approve the French suggestion that a New York bank be appointed United States agent for the projected $1,000,000,000 French defence loan.

Manuel Quezon Says Present U.S.-Philippines Relations Are "An Absurdity"

Present commercial and political relations between the Philippines and the United States are "an absurdity," Manuel L. Quezon, President of the Philippine Commonwealth, declared in an address to the National Press Club in Washington Mar. 4. The net effect of the Independence Act to date, he said, has been to divide the sovereignty of the Islands between the United States and Commonwealth governments.

Asked whether the political status of the Philippines would be discussed with Mr. Quezon, President Roosevelt Mar. 5 told newspapermen that he had not conferred on the matter thus far, and did not know whether the subject would be discussed later. Assistant Secretary of State Sayre stated that there was "no limit" to the subjects which will be discussed at Sr. Quezon's conversations with the Inter-Departmental Committee on Philippine Affairs.

Philippines and Hawaii as Rival Sugar Suppliers

Terms of the Administration's sugar bill, based on President Roosevelt's special message to Congress were made public Mar. 2 by Senator Joseph C. O'Mahoney from Washington. The bill would make the quota of Philippine sugar admissible to the United States equal to the raw-sugar volume under the duty-free quota of the Tydings-McDuffie Independence Act. This figure is substantially below the present quota under the Jones-Costigan Sugar Control Act.

Allegations that the proposed United States sugar bill discriminates against Hawaii were voiced Mar. 4 by Alexander Budge, president of the Hawaiian Sugar Planters' Association. He deplored the fact that, under the measure, Hawaii would not be permitted to send refined sugar to other parts of the United States. The bill, Mr. Budge said, would require Hawaii to ship all its sugar in the raw form, except a refined-sugar allotment of three per cent, whereas the Philippines could ship eight per cent of their quota as refined sugar, Cuba 22 per cent and Puerto Rico fifteen per cent.

Manchukuo Not Menaced by Chinese Competition, Says Godo

Strong opposition to a proposal to eliminate "the menace of Chinese economic competition" in Manchuria was expressed in the Tokyo Lower House Mar. 8 by Vice-Admiral Godo, Minister of Commerce and Industry. "Manchukuo's industrial plans," he declared, "have been drafted by Japanese experts. Her industries are fed and controlled by Japanese investors. Therefore, it is a shame to complain of Chinese competition in the new Empire."

There is no ground for believing that Manchukuo would become a center of Sino-Japanese economic rivalry, since the new State's economic life is "dominated by Japanese capital," he emphasized.

For these reasons, Dr. Godo declared, it was "unwise" to conclude a special treaty with Manchukuo or take other steps to "put an end to Chinese economic influence in Manchukuo."

"The best way to realize Japanese-Manchukuo economic cooperation," he said, "is to abolish tariffs. At present, Japan is unfortunately not in a position to conclude a treaty with Manchukuo for reciprocal tariff concessions, although we shall strive to realize it in the nearest future."

Manchukuo Has Favorable Trade Balance in February

With exports totalling $61,394,000 and imports, $59,328,000, Manchukuo's foreign trade for February resulted in a favorable balance of $2,066,000, it was announced in Hsinking Mar. 3.

Manchurian Expenditure Abnormal, Due to "Condition of Peace and Order"

A representative of the Japanese Army Mar. 3 replied in the Tokyo Lower House to Kanichiro Kamei, of the Social Masses Party, that it is difficult to reduce Manchurian expenditures to a normal level "because of the present condition of the peace and order in Manchuria." He added that he could not predict just when Manchurian expenditures would be reduced to the level of normal times.

Heavy Casualties Result from Bandit Suppression Campaign

Thirty-seven policemen were either killed or injured in the course of a bandit suppression campaign, a *Nichi Nichi* special dispatch from Tsitsihar Mar. 2 stated.

Hsinking Protests Again to Soviets on Border Violations

Acting on instructions from the Hsinking Government, Shih Li-pen, Foreign Affairs Commissioner in North Manchuria, Mar. 8 protested to Michael Slavutsky, Soviet Consul-General, against the repeated incursions into Manchukuo by Soviet border guards. The note specified two violations of Manchukuo's territory: On Jan. 31, two Soviet soldiers crossed the border and threatened a Korean child with their rifles near Hsinnungping, Sankiang Province. The following day, a mounted Soviet guard crossed the border near Tungning, Pinkiang Province, assertedly chasing a cow that escaped from Soviet pastures.

Manchukuo to Have Honorary Consul in Rome

The Italian Government has accepted a proposal for the stationing of an honorary Manchukuo consul in Rome. The newly-appointed Italian consul-general at Mukden arrived in Changchun, Mar. 6 and called on Gen. Chang Ching-wei, Manchukuo Minister of Foreign Affairs, and the commander of the Kwantung Army.

Manchukuo to Have Consuls in Italy

Rome's consent to the stationing of Manchukuo honorary consuls in Italian cities has been conveyed to the Hsinking Government by Signor Giacinto Auriti, Italian Ambassador to Tokyo, the *Kokutsu News Agency* reported Mar. 6.

South Manchuria Railway to Lower Debenture Interest

An agreement for the conversion of the South Manchuria Railway Company's 5 per cent debentures into 4.1 per cent securities was reached Feb. 25 between that concern and the Industrial Bank of Japan. The loan totals Yen 35,000,000. The Bank also agreed to lend the Yen 800,000,000 firm additional Yen 15,000,000, to be issued at Yen 99.51 and redeemable in 14 years.

S.M.R. Organizes Manchurian Gold Mining Company

With a capital of $10,000,000, the South Manchuria Railway Company is organizing a Manchuria Mining Company. This company will open gold mines in Jehol, commencing in August. It is expected that the mines will yield $3,000,000 worth of gold per year.

Japanese-Made Counterfeit Coins Circulate in South China

A total of $10,000 worth of counterfeit coins and false bank notes made by the Japanese, is now being freely circulated in South China, particularly in Changchow and Chuanchow. Seven Japanese in Amoy and three Japanese in Swatow have been arrested in connection with the matter, the *Sin Wen Pao* of Feb. 24 stated.

KEEP ON THE SUNNY SIDE OF LIFE

As Happy as the Day is Long!

SOME people never seem to be miserable or depressed though others can't muster a smile even on the most cheerful occasions. Yet there may be only one word that divides these people into two groups—constipation.

Do you belong to the constipated category? If you do, your diet is lacking in "bulk," causing poisons to get into the system which give you headaches and make you listless.

You must have "bulk"—and you get it in Kellogg's ALL-BRAN—a delicious cereal food. Its soft fibre gently clears the the intestines of all waste and stimulates a natural, normal action. Two tablespoonfuls of ALL-BRAN is all you need. In chronic cases, eat it with each meal. Serve it with cold milk or cream. No cooking needed. Sold by all grocers.

CONNELL BROS. CO. LTD.
P. O. Box 342, SHANGHAI

Kellogg's ALL-BRAN

the gentle, natural way to relieve CONSTIPATION

163

In the United States Court for China

In re. THE ESTATE of CHESTER ELTON COLT, Deceased.	Cause No. 4174 Special Proceedings No. 2053 NOTICE Filed at Shanghai, China, February 27, 1937. William T. Collins, Clerk.

Pursuant to an Order of said Court notice is hereby given to all persons having claims against the estate of Chester Elton Colt, deceased, to present the same with vouchers to the undersigned on or before September 6th., 1937, and all persons owing debts to said deceased are hereby notified to make payments of the same in due course to the undersigned.

Julian R. Briggs, Administrator,
c/o American Club,
Shanghai, China.

Shanghai, China.
February 27, 1937.

Geopolitique and the Future Expansion of Japan

BY DIETRICH HUSEMANN

"La Politique des états est dans leur geographie.—Napoleon."

Only about one-sixth (or 15%) of Japan's total area is under cultivation because so much of it is too cold for typical Japanese agriculture and a large part of the rest is mountainous. Her poets sing the praises of Fujiyama, but this mountain cannot grow rice. Though the four main islands of Japan represent an area of less than either Montana or California, they are called upon to support a population half as large as that of the United States. It numbers over 60,000,000; the birth-rate of 34 per thousand means an annual increase of more than 700,000. In the last decade the population of Japan increased ten per cent; the rice production, however, increased only 4 per cent. This results in an increasing stream of imported foodstuffs.

With these limitations of the natural environment the Japanese must create a new commercial and industrial environment at home or emigrate. Japan must overflow her boundaries, if not by exports then by her people. Here we touch upon the main problem of future Japan.

In Canada, Australia and in the United States the immigration of Japanese is restricted or even prohibited by special laws. Japanese colonies and settlers are to be found in Brazil, Peru, lower California and Mexico, regions climatically attractive to the Japanese. The tendency of the Japanese is to move into warmer lands. Here, in the Pacific, in Polynesia, in the Philippines, in the Dutch East Indies, in Siam and Indo-China the Japanese emigrants do find in every respect those conditions which favor them most.

Japan's ever-increasing population causes increased importation of food and here we find the outstanding question of rice, the most essential everyday food for Japanese. Rice cannot be replaced by any other cereal, so rice-production for Japan is a problem of utmost importance.

In their desire to keep the population under one flag, the leaders of Japan have sought to provide both land and business opportunities for the people. Korea was annexed outright in 1910 and Japan is so firmly placed on Chinese territory that Manchuria commercially may be considered to be Japanese country. However, Japanese colonists went to Manchuria in small numbers, due to climatic conditions. The January temperature averages 25 degrees at Dairen, 16 at Newchwang and 8 at Mukden, which is fairly severe. The consequence is that Chinese, not Japanese, are filling Manchuria. The dynamic force of the ever-growing Chinese population toward migration has been called Chinese Imperialism, that is, an essentially peaceful imperialism which gradually will overcome all obstacles. This geopolitical and ethnological axiom no student of far eastern problems can deny.

Scarcity of Natural Resources in Japan

Looking at world politics today we find the formation of large and spacious empires. Great Britain, the United States, Russia, France even Italy, all want to become independent of foreign imports. The scarcity of natural resources in Japan is a great disadvantage for her industrial development, and necessitates the import of foreign raw materials such as cotton, wool, iron, steel, coal and oil. In order to counteract these huge empires, Japan ought at least to become self-sufficient and independent so far as rice, the staple food of the country is concerned. It is the chief factor in her present problem of food-supply.

The future Japanese Empire is to be constructed around the East China Sea, the South China Sea and in the Pacific. Future Japanese expansion must go in this direction.

Japan, which is often referred to as the England of the Far East has two faces, one toward the Asiatic mainland, the other towards the Pacific, as England has one face toward Europe and the other toward the Atlantic. Geopolitically speaking, it follows that England always had two foreign policies, one European and one beyond the seas. Likewise Japan has two tendencies in her foreign policy: towards the Asiatic mainland and towards the Pacific. But England decided to give predominance to her foreign policy beyond the seas; Japan has not made this decision yet. England gave up territorial possessions on French soil and concentrated all her forces on her expansion beyond the seas. England became Great Britain and later the British Empire. Japan has not decided yet which way to follow. She is pushing against the Asiatic continent and towards the Pacific. But such simultaneous realization of expansion in two opposite directions will be geopolitically impossible, because the united counter-forces will be beyond Japan's strength of resistance. Japan will lose out in her expansion on the Asiatic mainland just as England lost her territory on the European continent.

Japan will lose Manchuria because of those geopolitical reasons which we have tried to make clear.

In 1909 Count Komura demanded space for 100 million Japanese. "Japan will be lost" the Count said, "among the vast territories of China, Russia and North-America, if she does not succeed in securing space for 100 million emigrants during the next generation."—The southward movement into warmer lands is congenial to the Japanese race, the majority of which are rice-eaters.

Shortly before the World-War the leading Russian newspaper *Nowoje Wremja*, giving voice to a Japanese writer, stated as follows: "How is it (speaking of Japanese commercial relations with the Dutch-East-Indies) that the Japanese pay 40 million francs yearly for sugar alone, whereas they simply could expropriate this colony, including the sugar and all the rest. The Japanese think it unnatural that a small European nation should possess an empire of 38 million in Asia; to it it was only able to send 70,000 emigrants during three centuries, whereas Japan during one decade alone sent 110,000 people to Formosa. Therefore, the Japanese have a greater moral right to possess colonies in Asia than small European nations."

It is interesting that according to Sun Yat-sen (in his letters in Inukai) the Japanese could have had such an empire today, if they had fought on the side of the Central Powers during the World-War; its cornerstone would have been Singapore, pushing this most important British naval base, the Indian Ocean as well as Indo-China and Siam into the spotlight of world politics.

Singapore is located at the crossroads to the Far East and is the Achilles-tendon of the British Empire. In British hands, Singapore can blockade all of Japan's imports of raw-materials; in the possession of the Japanese it can stop all western warships as well as all exports from China, Indo-China, Sumatra, Java, Australia and New-Zealand. Japan knows it and Great Britain realizes it too. As early as 1921 a conference of British admirals realized the great strategic importance of Singapore and since 1934 the British Government is apparently determined to stop any possible Japanese expansion in the future at this point. That year a high British military authority visited Batavia and Soerabaja to ascertain Dutch collaboration in the maintenance of the status quo in the Far East. And it might also be recalled that in January 1934 on board of the cruiser *Kent* another important naval conference took place, in which all British naval commanders in Far Eastern waters including those from Australia and New Zealand as well as the governors of Singapore and Malayan states participated. In the light of these developments the following news item is interesting:

SINGAPORE NAVAL BASE

"The completion of the main contract of the Singapore naval base has been officially announced, according to the 'Engineer.' It has involved the conversion of a large area of swamps and rubber land into a graving dock and into suitable land for the construction of the necessary buildings. A railway has been also constructed. The cost of the work is given as £4,000,000. According to an explanatory statement accompanying the Navy Estimates for 1935, the completion date for the main contract was originally September 28, 1935, while the graving dock was to be ready for use in September, 1937. The final completion of the base was to be reached towards the end of the financial year 1939. It will be recalled that the estimated cost of the naval and air base at Singapore was given as £11,000,000 in 1923. The naval works were estimated at £7,700,000 when completed, and the contract was placed by the Admiralty in 1928. The Straits Settlements Government contributed to the costs of the undertaking and presented a site of 3,000 acres. The central graving dock, which is 130-ft. wide and 1,000-ft. long was completed last year. Leading to it a quay 2,200-ft. long has now been built. The base is regarded as part of the Imperial defence system for the Pacific, as it will enable the Fleet to operate east of Suez without being required to make the long journey to Malta when in need of repairs or overhaul."—*British Chamber of Commerce Journal*, Shanghai, June 1936.

In order to counter-act these heavy British fortifications at Singapore, Japan started her activities in Siam in the course of which Rama VII, King of Siam, who is very friendly to England, abdicated early in 1935. In short, Japan set in motion in Siam what 30 years ago the United States did in Columbia in order to build the Panama-Canal; Japan wants to build the Kra-Canal, which would join the Indian and the Pacific Ocean by cutting through the narrowest spot of the Malayan Archipelago, which at Kra is only 42 kilometers from shore to shore. Technically such construction is simple and commercially more lucrative than the Suez-Canal. Thus the hinterland of Singapore would be gravely endangered and impregnable Singapore itself would be reduced to the weakest and most useless point in the Imperial defence system of the Pacific. The decisive struggle for Siam and really the struggle for India has begun. The Kra-Canal is no reality yet. Will Bangkok give a concession for the projected construction? Japanese-Siamese cooperation is already a reality, Japanese exports to Siam have increased four-fold from 1932-34. Sooner or later a concession is probable. And the Asia-division of the British Foreign Office knows it too.

It will be injudicious of Japan to exert herself in an attempt to gain Manchuria. If she does not succeed in this struggle, she must turn to the south also, *i.e.* Indo-China and Siam. France, which has great fears for Indo-China, has therefore for the time being encouraged Japan in her choice of Manchuria, for she is more apprehensive of a possible Japanese possession of Indo-China than of China. France is not in position to hold Indo-China for long, as it lies in a too peripheral a position in relation to the rest of the French Colonial Empire.

Of this inevitable future development of Japan we have tried to give a short sketch.

*
**

Geopolitique is a new method to define the state from the standpoint of its territory or area. It is more than a mere geographical interpretation of politics and one must differentiate between Geopolitique and Political Geography. The latter describes

the stability of a given state while the geographical interpretation gives the state a place in its historical and political development, tells about the dynamics of the state. Political geography, for instance, has to register only the unnatural boundaries of a given state; but the investigation as to why these boundaries are unnatural and do not grant duration and security for this state, such is the subject matter of Geopolitique.

Geopolitique ought to become the geographical conscience of every nation and statesman. Only then will his political decisions and actions have security and stability.

The ultimate goal of Geopolitique is political prognosis. Not prediction or prophecy of details, but prognosis of general tendency of future development.

Nanking, Mar. 8, 1937.

Canton Authorities Take Drastic Action Against Lepers—Execute Twelve

The continued prevalence of leprosy in various districts of Kwangtung has led the provincial authorities to take drastic measures to combat the disease. Lepers who have hitherto been at large, a menace to the public, are being rounded up and either destroyed or sent to leper villages. Last week 25 lepers were rounded up by the military authorities in Samshui. Twelve of the sufferers, including some women, were executed.

Drive Held in Shanghai to Secure Funds for Mission to Lepers

A drive was held in Shanghai this week to secure $10,000 for the Chinese Mission to Lepers. Mayor Wu Te-chen acted as captain of the campaign, with Tu Yueh-sen and Dr. Li Ting-an as his lieutenants.

Shanghai Street Car Service Suspended for One Day Owing to Strike

The streetcar service in Shanghai was tied up for one day (Mar. 6) as the result of a strike of motormen and conductors, in sympathy with a strike of mechanics which had been in force for several days. The strike had its inception in the discharge by the company of two employees. The strike came to an end on orders from the Bureau of Social Affairs and the Greater Shanghai Kuomintang Headquarters. In the meantime conferences are being held between the leaders of the workmen and the company with a view to adjusting minor matters in dispute.

General Strike in Shanghai Silk Filatures

A general strike was declared in ten silk factories in Eastern Shanghai end of last week. The General Manager of the Chin Sheng Factory and more than ten others were seriously injured in a clash with the workers Mar. 6. The district is under the surveillance of police.

University of Nanking Circular Describes Dr. Y. G. Chen's Visit to United States

A circular of the University of Nanking issued from the American offices at 150 Fifth Avenue, New York, signed by W. Reginald Wheeler, describes at length the visit made by Dr. Y. G. Chen, President of the University, to the United States.

Dr. Chen has been President of the University for nine years. Since 1927 he has carried the double administrative load previously shouldered by Dr. A. J. Bowen and Dr. J. E. Williams who were President and Vice-President of the University from 1910 to 1927. Tribute is paid to Dr. Williams, who lost his life at the hands of Communist soldiers in the Nanking Incident of 1927. Mr. Wheeler has written a brography of Dr. Williams.

Madame Koo Describes the "Day's Work" of the Wife of a Chinese Diplomat

An interview given by Madame V. K. Wellington Koo, wife of the Chinese Ambassador to France, to Woo Kyatang in the *China Press* Mar. 4, related that moral support in diplomatic bickering, continuous rounds of at-homes and dinners—these and several other "duties" are all in a day's work for the wife of a diplomat. Madame Koo, who flew from Paris to Hongkong, established a speed record among Chinese women for traveling to the Far East. She arrived in Shanghai from Hongkong by boat Mar. 3. Madame Koo, whose official home in Paris is known in the world's capitals as the "most beautiful" Chinese Embassy, will entertain the President of the Republic of France in May. She is flying back from Shanghai especially for that occasion. Following the dinner for the President, scheduled at the height of the Paris season, Madame and Ambassador Koo are also entertaining the diplomatic corps and French Government officials.

Madame Koo made her present trip to Shanghai principally in order to see her two sons, who are attending school in Shanghai.

In the United States Court for China

FRANCIS O. GREGORY, Plaintiff,
vs.
VESSIE GREGORY. Defendant.

Cause No. 4173
Civil No. 2052
ORDER
Filed at Shanghai, China, February 26, 1937.
WILLIAM T. COLLINS
Clerk

The object of this suit is an action for divorce.

WHEREAS, plaintiff herein, by his attorneys, has on the 25th day of February, 1937, made application for the substitution of publication for personal service upon the defendant herein; and

WHEREAS, it appears from the files in this case that on the 26th day of February, 1937, the summons for defendant was returned by the United States Marshal for China with the following noted thereon: "Defendant cannot be found within the jurisdiction of this Court"; and

WHEREAS, it appears from the files in this case that on the 24th day of February, 1937, the plaintiff herein filed an affidavit to the effect that the defendant does not now reside in China nor has she resided therein for the past six years, and that defendant's last known address was 934 G. Place, N.W., Washington, D.C.

NOW, THEREFORE, it is this 26th day of February, 1937, ORDERED that service upon the defendant be made by publication once a week for three consecutive weeks in the *China Weekly Review*, a paper of general circulation most likely to reach the defendant.

IT IS FURTHER ORDERED that the defendant cause her appearance to be entered herein on or before the fortieth day, exclusive of Sundays and legal holidays, occurring after the 20th day of March, 1937, the day of last publication of this Order; otherwise the case will be proceeded with as in case of default.

BY THE COURT:

Dated at Shanghai, China,

this 26th day of February, 1937.

MILTON J. HELMICK
Judge.

A.B.C. PRESS, SHANGHAI
Printing
in all its Branches
Your work should bear our imprint

The National City Bank of New York, Rates of Exchange

Shanghai, March 12, 1937

Demand selling rate on America:	U.S. $1.00=Sh. $ 3.36
Demand buying rate on America:	U.S. $1.00=Sh. $ 3.34
Demand selling rate on London:	£1.0.0=Sh. $16.44
Demand buying rate on London:	£1.0.0 ‖ Sh. $16.30

In the United States Court for China

OSCAR ELDER LINQUIST, Plaintiff, vs. LILLIAN MARGARET LINQUIST Defendant.	Cause No. 4178 Civil No. 2057 ORDER Filed at Shanghai, China, March 9, 1937. WILLIAM T. COLLINS Clerk

The object of this suit is an action for divorce

WHEREAS, plaintiff herein, by his attorneys, has this 9th day of March, 1937, made application for the substitution of publication for personal service upon the defendant herein; and

WHEREAS, it appears from the files in this case that on the 8th day of March, 1937, the summons for defendant was returned by the United States Marshal for China with the following noted thereon: "Defendant cannot be found within the jurisdiction of this Court"; and

WHEREAS, it appears from the files in this case that on the 9th day of March, 1937, the plaintiff herein field an affidavit to the effect that the defendant does not now reside in China nor has she resided therein since December 2, 1936, and that defendant's last known address was Room 301, 24 Central Road, Shanghai

NOW, THEREFORE, it is this 9th day of March, 1937, ORDERED that service upon the defendant be made by publication once a week for three consecutive weeks in the *China Weekly Review*, a paper of general circulation most likely to reach the defendant.

IT IS FURTHER ORDERED that the defendant cause her appearance to be entered herein on or before the fortieth day, exclusive of Sundays and legal holidays, occurring after the 27th day of March, 1937, the day of last publication of this Order; otherwise the case will be proceeded with as in case of default.

BY THE COURT:

Dated at Shanghai, China,
this 9th day of March, 1937,

MILTON J. HELMICK,
Judge.

FOR SALE

A subscriber, residing in Nanking, would like to dispose of back-issues of THE CHINA WEEKLY REVIEW, from Vol. 5 to Vol 30 (June 1, 1918 to November 29, 1924) and Vol. 42 to Vol. 66 (September 3, 1927 to November 30, 1933). Librarians or others interested, please communicate with the Subscription Department, mentioning this advertisement.

THE CHINA WEEKLY REVIEW
160 Avenue Edward VII
SHANGHAI

Japanese Military Mission Returns to Tientsin After Tour of North Chahar

A Japanese military mission which had been touring North Chahar arrived back in Tientsin last week. The mission, which consists of 34 officers, spent several weeks at Chapssu before coming to Peiping and, on its way, made a brief stop at Kalgan. According to Japanese reports, the centre of military activity has shifted from Chapssu to Dolonor. Prince Teh, chairman of the Chahar Mongol Political Council, recently lost his mother, and is said to be so sorrow-stricken that he has abandoned all interest in politics. A Chinese dispatch from Suiyuan says that he has telegraphed his resignation to the National Government.

Japanese and Korean Ronins Who Seized Contraband in Tientsin Deported

Eight ringleaders of a band of Japanese and Korean ronin who forcibly seized contraband goods from the Tientsin Customs House on Feb. 21, have been deported from the port city for three years, I. Kishi, Japanese Consul-General in Tientsin, informed W. R. Meyers, Customs Commissioner at Tientsin, Mar. 4.

No satisfactory reply, however, was given by the Japanese Consul-General regarding the other demands of the Tientsin Customs namely, to make restitution, to offer an apology and to guarantee against recurrence of similar incidents.

In view of the fact that the riot broke out in the French Concession, M. Lepissier, French Consul, called on Mr. Meyers and tendered an apology. During the interview, he informed Mr. Meyers that more police and detectives have been detailed to the vicinity of the Customs House and warehouses to ensure protection.

Two barriers will be set up at Paimiao and Tayiao in the vicinity of the Tientsin Customs to curb the illicit traffic.

Sino-Japanese Company in Tientsin Plans Menthol Plantation

It is reported that the Hsing Chung Company, a Sino-Japanese concern plans to lease a vast piece of land (more than eighty thousand Chinese mow) in Chunliangcheng between Tientsin and Tangku, for a menthol plantation.

Japanese Establish New Paper Mill in Tientsin

The Japanese paper mill now under construction in Tientsin will be completed in October and it is expected that the plant will commence production by November.

Japanese Negotiate for Chinese Flour Mill

Negotiations are proceeding between a Japanese concern and the management of the Chinese-owned Chin Foong Flour Mill in Tientsin for the sale of the mill to the Japanese interests. It is reported that the Japanese concern has offered $300,000 for the mill, which has remained idle for a number of months.

Japanese to Build Vegetable Oil Refinery in Tientsin

Japanese oil interests have decided to build an oil refinery in Tientsin with a capital of $4,000,000. The refinery, when completed, will mainly produce cotton-seed oil.

Chinese Newsboy Stabbed to Death by Koreans in Tientsin

A Chinese newsboy, Chai Yu-lin, was stabbed to death by two unidentified Koreans in the Tientsin Chinese city early in the morning of Mar. 8. The local Police Bureau has asked the co-operation of the Japanese police in bringing the culprits to book.

Japanese to Manufacture Poison Gas in Tientsin?

Shanghai financial circles this week received a telegram from Tientsin declaring that the Japanese decided to establish a poison gas factory in Tientsin.

Under the pretext of supplying Tientsin city with gas for industrial and domestic uses, the newly organized Fuchang company will manufacture poison gas for use in war, the report stated.

100 Sack of Contraband Sugar Seized in Tientsin

The Tientsin Customs authorities Mar. 8 raided the Ming Sheng grocery store in said city and seized 100 sacks of illicit sugar.

Japanese Spies Active in Yangtsze Valley

The *Shun Pao* says a large number of Japanese spies have been sent to the Yangtsze Valley districts to obtain military and political information. A Japanese radio station is to be established in Tientsin, by means of which all such information will be transmited to Tokyo.

Academia Sinica to Establish Two More Research Institutes

The Academia Sinica is reported to be completing arrangements for the establishment of two new institutes for researches in physiology and geography. This will increase the number of research institutes maintained by the Academia Sinica from 10 to 12.

Chung Cheng Medical College to Be Opened Next Semester

Nanking advices state that the projected Chung Cheng Medical College in Nanchang, named after the official name of Gen. Chiang Kai-shek, president of the Executive Yuan, in memory of his victory in the Communist-suppression campaign in Kiangsi, will be opened next semester. The School, which is established jointly by the Ministry of Education and the Kiangsi provincial government, is located in the suburbs of Nanchang. Buildings on the campus are being constructed and are expected to be completed this summer. The college will consist of the departments of physics, chemistry, biology, and anatomy.

Nanking University to Have New Building to House Ferguson Collection

Preparations are being made by the Nanking University authorities to raise $40,000 to erect a new building to house the private collection of Chinese art relics which have been donated to the institution by Dr. John C. Ferguson.

Forty-Six Chinese Arrive in Japan for Study

Forty-six Chinese and ten Manchurian students entered Japan through Kobe last week to continue their studies in institutions of advanced learning. The Chinese group included Li Tai-yu, 32, editor of the *Paotou Daily News*, Paotou, Suiyuan, who will enter he Meiji University Department of Journalism.

Tsang Chi-fang Takes Over Engineering College at Sian

Tsang Chi-fang, new Chancellor of the Northeastern University founded by General Chang Hsueh-liang, took over the Engineering College of the University at Sian Mar. 3.

President Tsang announced that the work of the University will henceforth be conducted in conformity with the resolutions of the University Council. Discipline will be strictly enforced, and financial accounts published.

Dr. W. W. Yen Speaks at Yenching Alumni Dinner

Dr. W. W. Yen, former Chinese Ambassador to Soviet Russia, was the principal speaker at the dinner given in his honor by the Yenching Alumni Association in Peiping Feb. 28. In the course of his remarks Dr. Yen said that his relations with the university dated back to the third year of the reign of Hsuan Tung when he represented the then Waiwupu at the graduation exercises of Peking University which was later to be amalgamated with Yenching.

Dr. Chang Po-ling Calls on Dr. H. H. Kung

Arriving in Nanking March 5 from Tientsin, Dr. Chang Po-ling, President of Nankai University, called on Dr. H. H. Kung, Minister of Finance, to apply for a donation towards the erection of a Nankai University Alumni Club building in the Capital.

Chang Chih-pen Arrives in Peiping to Become President of Chao Yang College

Chang Chih-pen, the newly elected President of Chao Yang College, was expected to arrive in Peiping from Shanghai this week to assume office. The College has been without a president since the resignation of Kiang Yung, who has moved to Shanghai.

Examination for Granduates of Non-Registered Medical Schools

More than 1,000 medical practitioners, who are graduates of non-registered medical schools in this country, will sit for an examination on October 15 and 16 under the auspices of the National Health Administration, according to a decision reached at a conference of the Committee for the Examination of Medical Practitioners in Nanking Mar. 1.

Two Films Showing China's Advance in Education to Be Made

The National Education Association, which will represent China at the forthcoming World Education Congress in Tokyo, has filed a petition with the Ministry of Education, requesting the latter to make two motion pictures showing the promotion of mass and rural education and other educational developments in China.

St. John's University to Register with Nanking Government?

Preliminary arrangements for the eventual registration of St. John's University, Shanghai, with the Chinese Government were made by Dr. F. L. Hawks Pott, President of the University, during an interview with Dr. Wang Shih-chieh, Minister of Education, in Nanking Mar. 3, according to a *Central News* message. Dr. Pott was said to have already secured the consent of the American Church Mission Board regarding the registration. For many years past the board has been holding out against such a step.

Dr. Pott will sail for the U.S. from Shanghai on April 4, and when he returns to this country in the autumn, he is expected to have obtained the formal approval of the American Board to apply for registration in accordance with Chinese law, it was stated.

Weather Changes

HOW DO THEY AFFECT YOU?

Even though you may have been afflicted with rheumatism for a long time and though many treatments may have failed to effect improvement there is no need for despair. Tonic treatment through the blood with Dr. Williams' Pink Pills has banished rheumatism in numberless cases, many of them chronic, when all else had failed.

Rheumatism is due to poisons in the blood and as Dr. Williams' Pink Pills rapidly create fresh supplies of new, good, red blood, rich in oxygen and iron; it is just this factor that has made their reputation as a successful treatment for rheumatism, lumbago, sciatica, and kindred ailments.

With such blood as these pills create flowing in your veins, your whole system is invigorated, nerves are strengthened, digestive disorders are quickly corrected, and you look and feel fit for anything. Begin a course of Dr. Williams' Pink Pills to-day, their fifty year old reputation speaks for itself. From chemists everywhere.

DR. WILLIAMS' PINK PILLS ENRICH YOUR BLOOD WITH IRON

South China Rice Company Formed with Capital of $10,000,000

With a view to readjusting the provision situation in Kwangtung and to promoting the marketing of native rice in the south, T. V. Soong, chairman of the Board of Directors of the Bank of China, in collaboration with other high government officials and leading financiers, has organized the South China Rice Company, Limited, with a capital of $10,000,000. The projected company, $5,000,000 of whose shares will be subscribed by the promoters and the rest secured by contributions, is expected to be formally opened on April 16. It will first establish a rice factory and granary in Canton and Wuhu to transport rice to places in South China. It is expected that 5,000,000 piculs of rice will be transported and marketed there yearly.

Kwangtung Port Development Loan Approved by C.P.C.

The issue of a 26th Year (1937) American Dollar Loan for Harbor Development and River Dredging in Kwangtung in the amount of U.S.$2,000,000 was approved by the Central Political Committee at its 37th meeting in Nanking, Mar. 3. The proceeds of the Loan, it is learnt, will be used as engineering expenses for the development of Whampoa Port and the dredging of part of the Pearl River.

The Loan will be floated on April 1. Bearing interest at the rate of 6% per annum, it is to be completely redeemed in 16 years. The loan will be secured on the 5% Import Surtax which shall be collected by the Canton Customs until such time as the Sinking Fund is adequate to meet payment of the entire amount of principal and interest.

As the development of Whampoa and the dredging of the Pearl River are regarded as two important engineering projects, the work will be handled by the Director-General's Office in charge of the Whampoa Port Development scheme.

The Loan will be issued in terms of American dollars in order to facilitate negotiations with foreign merchants tendering for the work, so that a better market price may be secured, and also to avoid affecting the domestic bond market.

Tientsin Chinese Chamber of Commerce to Push Sale of Native Goods in South Seas

The Tientsin Chinese Chamber of Commerce is planning to launch a movement to push the sale of native products from North China in the markets of the South Seas.

Tsaipu Orders Formation of Match Syndicate in South

The Ministry of Finance Mar. 8 issued an order to the National Match Syndicate requireing that a branch syndicate be formed in South China at an early date.

13,000 Visit Four-Province Products Exhibition in Canton

Upwards of 13,000 persons visited the exhibit of special products of Kwangtung, Hunan, Hupeh and Kiangsi, which opened in Canton Mar. 7. The "Kiangsi Hall," featuring famous chinaware, transparent paper and fans attracted the greatest attention. Another outstanding exhibit was a model of the Canton-Hankow Railway and samples of special products from various places along the line.

Chinese Officers to Attend Maneuvers in Hongkong Mar. 15

Five high officers of the Chinese Fourth Route Army will attend the combined maneuvers of the British forces which will be held in Hongkong beginning from Mar. 15. They are Generals Chang Ta, Huang Jen-huan, Miao Pei-nan, Huang Yen-chen and Li Chen-chiu, commanders of the First, Second, Third, Fourth and Fifth military areas in Kwangtung, respectively.

General Yu Han-mou Exchanges Visits with Governor of Hongkong

Extraordinary precautions were taken at Hongkong Mar. 8 to safeguard the person of General Yu Han-mou, Pacification Commissioner of Kwangtung, when he arrived there from Shanghai aboard the liner *President McKinley*. General Yu, who was on his way to Canton from Nanking after attending the plenary session of the Central Executive Committee of the Kuomintang, crossed the harbor in the Governor's launch. A guard of honor provided by the Seaforth Highlanders, with a pipe band, was drawn up on the pier.

After inspecting the guard General Yu proceeded to Government House where he called on the Governor, Sir Andrew Caldecott. Later Sir Andrew returned General Yu's call. This was the first time the two had met.

W. M. Kirkpatrick, special representative of the British Exports Credit Guarantee Department, arrived in Canton, Mar. 6, to study the possibilities for industrial development in Kwangtung. After calling on high officials of the provincial government he laid a wreath on the tomb of the 72 martyrs. He also participated in the opening ceremony of the native goods exhibition and in a mass wedding. He visited the Whampoa Harbor, now under construction.

British Will Hold Maneuvers in Hongkong Mar. 15

Large-scale maneuvers will be held in Hongkong beginning from March 15 by the British military, naval and air forces stationed in the Far East.

British Ambassador to Visit Amoy

Sir Hughe Knatchbull-Hugessen, the British Ambassador to China, is expected to arrive in Amoy on April 1.

Liangkwang Provinces Will Raise Salt Surtax

The Ministry of Finance has ordered the Salt Commissioner's Office for the Liang-Kwang (Kwangtung and Kwangsi) Area, to raise the salt surtax from $0.50 to $0.90 per picul as from the 6th inst. This is estimated to bring an increase in revenue of $2,400,000 annually.

T. V. Soong Not to Proceed South Until Next Month

Owing to pressure of other business, T. V. Soong, chairman of the National Economic Council, may not be able to make his proposed trip to Canton until next month in spite of urgent requests from the south where a number of problems are awaiting his attention.

How Japan Tightens Its Grip on Malaya's Iron Ore

A *Reuter* message from Singapore Mar. 9 stated that Japan is tightening its grip on the iron-ore supply from British Malaya. Japan now controls virtually all the iron-ore mines in Malaya, and practically all the ore is shipped to Japan. The Malayan output of iron-ore last year rose by over 200,000 tons to 1,612,309 within 12 months. This increase was entirely due to the extensive developments of mines in the Malay State of Trengganu by the Nippon Mining Company, whose exports were over a million tons. Further development of iron-ore deposits is to be made in the State of Johore by the Ishihara Sangyo Koshi Ltd. Extensive development is also proceeding at Bukit Besi, where 50,000,000 tons is reported to be available on the surface and it is reported that the Nippon Mining Company is aiming at an additional output of 250,000 tons this year.

Ore mined in Malaya is of such good quality that the comparatively high costs of transport have not prevented it taking an important place in Japan's list of imports, which includes ore from China, Korea and Manchukuo, as well as the Philippines and Australia.

Chinese General Objects to Being Served by Negroes on American Ship

Chinese passengers on board American liners are resenting the replacement of Chinese stewards by American negroes, it was learned in Hongkong Mar. 8. The Chinese passengers complain that the employment of negro stewards creates language difficulties for Chinese travellers and is leading to increased unemployment among the Chinese seamen. Gen. Yu Han-mou, Pacification Commissioner of Kwangtung, created an incident on board the s.s. *President McKinley* by objecting to negro stewards. An attempt was made to use a few Chinese stewards on board the ship, but the negro stewards refused to co-operate with the non-union Chinese workers.

Japanese in South China Say They Are Persecuted by Chinese

The *Shanghai Mainichi* Mar. 5 stated that Japanese residents in Canton continue to be persecuted by the Chinese populace. The situation has grown so bad that Japanese merchants are unable to continue in business. Several protests have been made to the Chinese authorities by Mr. Nakamura, the Japanese Consul General.

A Mother's Advice- "Never Be Without Baby's Own Tablets"!

Mothers with young children will do well to read the following lines from a Canadian mother, Mrs. J. Smythe, 81. Leak Avenue, Long Branch, Ontario.

"I have been using Baby's Own Tablets for twenty years," writes Mrs. Smythe. "During that time I have been the proud possessor of seven babies; words fail to express what Baby's Own Tablets meant to me in their first trying years; even when they were past infancy I did not dispense with them. My message to mothers the world over is 'never be without Baby's Own Tablets in the home', they stand for safety, economy and most of all, life's richest blessing—good health."

Baby's Own Tablets are the ideal specific for little children's health upsets. They correct indigestion, dispel constipation, allay feverishness, prevent colds and croup, check diarrhoea, expel worms. At teething time they are especially beneficial, easing the pains and assisting sleep.

Guaranteed pure and free from any opiate or narcotic they are equally good either for the infant in arms or children up to twelve years of age. Sold by chemists everywhere.

Who's Who in China

Yen Hsun-chung, expert stenographer; born at Foochow, Fukien, July 28, 1906; graduate, Anglo-Chinese College, Foochow, 1923; student, Fukien Christian University, Foochow, 1923; assistant secretary and treasurer, Fukien Christian University; private secretary to E. H. Munson, South China Regional Secretary of the National Committee of the Y.M.C.A. of China; clerk-stenographer, American Consulate, Foochow, since 1931; has won many prizes in international shorthand contests: Sepcial Prize of an autographed edition of the Dictionary of Snorthand by Dr. John Gregg for being the most artistic specimen from outside the United States and Canada, 1930 Stenographers' Contest, held in New York City; U.S.$5.00 Prize Winner in 1931 Semi-Hex Shorthand Contest held by the General Pencil Company, Jersey City, New Jersey, U.S.A.; Honorable Mention, 1933 Annual O.G.A. (Order of Gregg Artists) Contest, held in New York City; Special Mention, 1934 Annual O.G.A. Contest; Gold Pin and autographed copy of "5,000 Most-Used Shorthand Forms," 1935 Annual O.G.A. Contest; Honorable Mention, "5,000 Most-Used Shorthand Forms," 1935 Stenographers' Contest; Gold Pin and autographed copy of "5,000 Most-Used Shorthand Forms," 1936 Annual O.G.A. Contest; Honorable Mention, "Creeds of Great Business Men," 1936 Stenographers' Contest; letters of commendation from Executive Yuan, March 24, 1936, and from Fukien Provincial Government, Feb. 3, 1937; address: No. 2 Chu An Li, Mai Yuan Road, Tsang Chien Shan, Foochow, Fukien.

嚴訓忠字毅人
Yen Hsun-chung

嚴訓忠，字毅人，年三十歲。福建閩侯人，福州鶴齡英華書院畢業，福建協和大學肄業，曾任福建協和大學副祕書及會計，中國青年協會華南區總幹事私人祕書，現任駐閩美國領事館速記員，歷屆參加世界速記員競賽會，均獲優獎，二十五年三月廿四日，奉行政院蔣院長獎諭：「該員學有專長，殊堪嘉尚」，二十六年二月三日，奉福建省陳主席獎諭：「深堪嘉許」，通信處：福州倉前山麥園路居安里二號。

Japanese and Chinese Come Into Collision in North Szechuen Road Resort

The Happyland Cabaret, Chinese-owned establishment on North Szechuen Road, Shanghai, which was the center of the "pearcore incident" on Sept. 23 last year, was the scene of another Sino-Japanese incident on the night of Mar. 11. The two principals were Issei Suzuki, temporarily lodged in the Japanese Consular Police jail, and Kuang Shu-sou, a Chinese middle-school student. The fracas, according to the Japanese press, started when Suzuki and his dancing partner bumped into Kuang and his girl. The Japanese was alleged to be drunk. The outcome was: Kuang is nursing a black eye and a sore nose; Suzuki will spend 15 days in jail sobering up.

WHO'S WHO IN CHINA
—5th EDITION

Contains more than 1,500 biographies of Chinese leaders in Government Service, Private Commercial and Professional Life; also includes the biographies of a number of prominent Chinese women. Price $10 a copy, including postage, in China or U.S.$5 if mailed abroad. Special Offer:—Send $16 (Chinese Cy.) and receive *The Review* for a full year and also a copy of *Who's Who;* if abroad send U. S. $11. Send orders with check or postal order to

THE CHINA WEEKLY REVIEW
160 Ave. Edward VII, Shanghai.

For Views & Opinions

Send Your
SUBSCRIPTION
TODAY

READ

The China Critic

Where correct views and opinions are expressed. It comes out every Thursday. Its special features include the following:

EDITORIALS on current affairs, impartial and fearless.

SPECIAL ARTICLES on all subjects of general interest.

WEEKLY INTERVIEWS, Lights on interesting personalities, their views on different things.

THE LITTLE CRITIC, criticism on various interesting topics in the lighter vein, that will make the reader both smile and think.

BOOK REVIEW, thorough and scholarly, serving as a good reader's guide.

CHIEF EVENTS, classified and condensed to save you time in keeping in touch with the current developments.

OFFICIAL DOCUMENTS published of historical records in the future.

$7.00
a year in China
G.$5.00 *or*
£1
ABROAD

桂中樞 **KWEI CHUNGSHU,** *EDITOR*

朱少屏 **P. K. CHU,** *BUSINESS MANAGER*

The China Critic
749 Bubbling Well Road,
Shanghai. Tel. 33627

Men and Events

The death occurred in Paris Mar. 8 following a long illness of A. Fano, a member of the Board of Directors of the International Savings Society.

One convict was killed and 14 others escaped during a daring jail-break at the detention house in Loyang on the afternoon of Mar. 7

The third annual general meeting of the International Arts Theater will be held on March 17 at 5.30 p.m. in the studio, 55 Yuen Ming Yuen Road, Shanghai.

Eighty pupils of the Japanese Girls' High School in Shanghai had luncheon at the Astor House Mar. 6, "to learn foreign table manners," the *Shanghai Mainichi* reported.

The Hongkong and Shanghai Banking Corporation made a net profit of $15,107,175.17 last year, it was reported at the annual meeting of the shareholders, held last week.

The mutual elevation of the Chinese and Belgian Legations to the status of Embassies will be formally announced next month, it is learnt at the Ministry of Foreign Affairs.

An electric power plant will shortly be erected at Kuling and it is expected that the project will be ready to supply light and power to residents in said mountain resort this summer.

The death occurred in Tientsin, Mar. 5, at the age of 52, of Hans Langebaek, a native of Denmark, who had served for many years with the Great Northern Telegraph Company.

An international group of promoters is scheduled to begin the construction in Tientsin shortly of a dog-racing track similar to the one operated in Shanghai, the *Kokutsu News Agency* reported March 5. The concern is capitalized at $500,000.

The death occurred at Hangchow, Mar. 4 at the age of 92 of Wang Ting-yang, member of the Supervisory Committee of the Chekiang Provincial Party Headquarters and concurrently Director of the Provincial Orphanage.

The Chinese Government has decided not to send any special representative to London for the World Sugar Products Conference to be held some time in April. China, however, will be represented by an official from the Chinese Embassy in London.

Ninety-three first editions and 179 reprints are included among the 272 books published by the Christian Literature Society during the 13 months ending December, 1936, according to "Unto Thy Name," annual report of the society issued last week.

Judge P. Grant Jones in the British Supreme Court in Shanghai Mar. 6 ruled that the Mission to Seamen's method of appointing trustees is illegal. The matter came before the Court on the petition of a committee, at the head of which was Dean A. C. S. Trivett.

Nieh Kwang-yu, Chinese employers' delegate to the International Textile Conference which will be convened at Washington, D.C. under the auspices of the League of Nations, departed from Shanghai for America on Mar. 10 aboard the *President Hoover*.

Citizen labor for the service of the state is being utilized at Hangchow for the dredging of the West Lake. The work was started Mar. 4 and is to be completed within six months. Five hundred able-bodied citizens are being drafted each day for the work.

The tomb of Pai Chiu-i, famous poet of the Tang Dynasty (618-907 A.D.), was desecrated by bandits at the Hsiangshanssu (monastery) of Lungmen, near Loyang, on the night of Feb. 25. An order for the arrest of the culprits was issued by the local authorities.

Miss Elizabeth Barton, daughter of Mr. and Mrs. Aldrich Barton, and William Leslie Ernest Miller, of the Chinese National Wireless Telegraph Company, son of Mr. and Mrs. E. S. Miller, were married in Shanghai Mar. 6. Dean A. C. S. Trivett performed the ceremony.

The 900th birthday anniversary of Su Tung-po, leading poet of the Sung Dynasty, which falls on March 14, will be commemorated in Hangchow at a ceremony to be held at the Sukung Temple on the West Lake under the auspices of the Hangchow Writers Association.

China will not send any delegates to attend the conference of the American National Chamber of Commerce to be held in Washington D.C. some time in April, according to Ling Kong-hou, local banker. Instead, China will send a letter of congratulation to the conference when it opens.

The Shanghai Municipal Council this week decided to increase the number of licensed ricsha pullers by 3,531. This increase, accorded at the vehement insistence of public ricsha owners, is to make up for a sharp decrease in the number of pullers occasioned during the license renewal early this year.

Sir Hughe Knatchbull-Hugessen, the British Ambassador, presided at the 18th meeting of the standing committee of the Sino-British Cultural Association held in Shanghai Mar. 2. New members elected at the meeting were:—Chen Wei-chi, Chien Chin-lien, W. C. P. Dawson, H. D. Hilliard, Hsueh Tien-tsen, Mr. and Mrs. P. H. Munro-Faure, G. S. Pratt, John R. Raeburn, Mr. and Mrs. P. R. Shields, Hai Ke Kwan, Kiss P. Margaret Turner, and Major and Mrs. Alan H. Wells.

An ancient tomb said to be of the Sung Dynasty (Year 906-1280) was excavated Feb. 28 on the outskirts of Canton by an archeological party of the National Chungshan University. A greater part of the relics in the grave, however, were found lost.

Mrs. Paul R. Josselyn, wife of the American Consul at Hankow, accompanies by two children, returned to China last week from the United States. They were house guests of Mr. and Mrs. A. Bland Calder during a short stay in Shanghai before proceeding to Hankow to join Mr. Josselyn.

Zee Tso-ling, boiler room attendant was prosecuted in the Shanghai First District Court this week, charged with negligence in the performance of his duty while in charge of the boiler room at the Shanghai Commercial and Savings Bank in Kiangse Road, the boiler of which blew up on the morning of Feb. 28, killing two persons.

By order of the Central authorities, Ma Chao-chun, Mayor of Nanking, has marked out 1,000 *mow* of land outside the Chiliang gate of the Capital as a cemetery for the country's deceased statesmen and leaders accorded the honor of State Burial. The land will be expropriated and the cemetery laid out as soon as a survey has been made.

The Commanding Officers and officers of the U. S. Fourth Marines entertained the Commanding Officer and officers of the U. S. S. *Henderson* at a cocktail party at the American Club on the afternoon of March 3, when they were introduced to prominent local officials and residents. Two hundred officers, their wives, and guests were present.

Miss S. M. Tao, doctor of science and senior technical expert of the National Epidemic Prevention Bureau in Nanking, arrived back in China this week after a tour of Europe and the U. S. Dr. Tao was sent by the National Health Administration as the official Chinese delegate to attend the International Congress for Microbiology in London last July.

Miss Nathalie Illyina of Harbin has joined the staff of *Shanghai Zaria*, leading Russian paper in Shanghai. Miss Illyina is the daughter of Mrs. Katherine Illyina, well known journalist and teacher of Harbin. Mrs. Illyina was for several years connected with the American Y.M.C.A. school in Harbin and is now connected with the public schools of that city.

K. P. Chen, Shanghai banker who served as a delegate of the Ministry of Finance in negotiations with the U. S. Treasury Department several months ago, is confined to his home with illness. Mr. Chen is Managing Director and General Manager of the Shanghai Commercial and Savings Bank, the premises of which were seriously damaged recently by an explosion of the boilers in the bank's heating department.

At the request of the Commander-in-Chief of the American Asiatic Fleet, the Amoy District Court has reduced the sentence on the two boatmen involved in the drowning of an American sailor, Carl Hagen, last year. Li Tien, originally condemned to death, is now given 10 years imprisonment, while his son, Li Keng, has had his sentence reduced from 20 to 5 years imprisonment.

In the list of appointments for the King's Household announced in the *London Gazette* Mar. 3 was included Sir Eric Mieville, who become one of the King's three assistant private secretaries on the retirement of Sir Godfrey Thomas. Sir Eric, who is 41 years of age, has seen service in China, having been private secretary to successive British Ministers at Peiping from 1920 to 1927.

Nominations for the election of the General Committee of the American Community of Shanghai, which is to be held in April, were received this week. Five new committee members are to be elected for three years and one to be elected for two years. The American Community received dues of $10 from 429 American residents in Shanghai during 1936, but it is pointed out that this is far short of the number of Americans in the city.

Hsiung Hsi-ling, former Premier of China and now President of the Swastika Society in China; Miss Kwang Jui-wu, Superintendent of the Hsiang Shan Orphanage, of which Mr. Hsiung is a director; and Chen Keh-chin, a member of the National Child Welfare Association and Chinese Education Officer of the S. M. C., who were delegates to the Far East Anti-While Slave Conference at Batavia, Java, returned to Shanghai last week.

The American Chamber of Commerce has organized a beginner's class for the study of the Chinese language. The first meeting took place February 24 in Room 418 at the American Club. Classes are held Mondays, Wednesdays and Fridays each week at 5.30 p.m. Lessons are also given to those who have already some knowledge of the language. The lessons are being given under the supervision of C. H. Greene, Jr., chairman of the committee on Chinese Language Study of the American Junior Chamber of Commerce.

Kenneth Parker, President of Parker Pen Company of Janesville, Wisconsin, accompanied by Frank Matthay of the same company arrived in Shanghai this week. They arrived in Manila recently on the Trans-Pacific Clipper and later travelled in the Netherlands Indies. Kenneth Parker is the son George S. Parker, chairman of the Board of Directors of the company, who has made several trips to the Far East. Approximately 25 per cent of the Parker fountain pens are sold in the Far East and Mr. Parker expressed pleasure at the rapid increase of sales, particularly in the Philippines and India. Messrs. Parker and Matthay sailed in the *President Hoover* Mar. 10 for the United States.

N. F. Allman, a member of the American Bar in Shanghai, proceeded South this week on a short business trip to Hongkong and Manila.

The death occurred in Shanghai Mar. 5 of Clarence S. Upson, president of the Upson Paint Company. He had been a resident of Shanghai for 17 years.

According to the latest statistics released, Nanking is becoming a business as well as a political centre. Between 1929 to 1936, 225 companies were registered, and, of these, 105 had their head offices in the capital.

Dr. Anne Walter Fearn, for many years a resident of Shanghai and widely known in the foreign and Chinese communities, departed this week for the United States where she will visit with members of her family in St. Louis, Mo., for several months, returning to China next autumn.

W. T. Zen delivered a lecture on "Discovery of Stone Age Implements Near Huchow" before the North China Branch of the Royal Asiatic Society in Shanghai March 11. On March 25 at 5.30 p.m. a lecture will be given at the same place by John Hazedel Levis on "Foundations of Chinese Musical Art."

Miss Elizabeth Knatchbull-Hugessen, daughter of the British Ambassador to China, is playing the leading female role in Sir James Barrie's famous fantasy "The Admirable Crichton," staged this week at the Amateur Dramatic Club by the Nanking Women's Club to raise funds for its various social activities.

Edward Hunter, for several years engaged in newspaper work in China and Japan but more recently connected with the Paris and London bureaus of Hearst's *International News Service*, has resigned and is now engaged in magazine writing in New York. He is residing at 235 West 108 Street, New York City.

The death occurred in Hankow Mar. 9 of Mrs. Edward J. Marquart, wife of the commander of the U.S. Yangtsze Naval Patrol. Mrs. Marquart left Shanghai by river boat a week ago for the port and is reported to have become ill while en route. The remains will be returned to the United States, with burial to take place at Arlington Cemetery, Washington, D.C.

Masao Hotta, a Japanese with a long criminal record, was arrested as he was leaving the Capitol Theatre in Shanghai on the afternoon of Mar. 3. After various escapades, on Feb. 25 he entered the apartment of Ichiro Aoyagi, head of the political police section of the Japanese Consulate-General, in the Pearce Apartments. He escaped on that occasion, but his arrest followed six days later.

The *Shanghai Mainichi* reported this week that small Japanese traders in Shanghai have completed six months of prosperity as a result of the bumper crops enjoyed by rural China. One of the factors responsible for good business, the daily said, was "the adroit use" of loans made to the petty traders by Japanese banks.

A new Soviet Club was formally opened Mar. 6 at 64 Route de Grouchy, Shanghai, with a reception, attended by more than 300 Soviet citizens and their friends. I. I. Spilwanek, Consul General for the U.S.S.R., was the principal guest of honor. The club building is a 16-room stone structure of the mansion type, and was completely renovated last month. It is situated in a large garden adjoining two tennis courts and a volleyball ground. S. I. Danilevsky, is president of the Club.

A tea reception was given Mar. 3 at 393 Route Ferguson, Shanghai, by Li Shih-cheng, Kuomintang leader and member of C.E.C., in honor of Jacques Vidal-Lablache, correspondent of the *Journal de Paris*, who is a representative of the International Diderot Group. At the party Mr. Li announced that an encyclopedia compiled by members of the Diderot Group in China is now ready for publication. Among the prominent guests in attendance were Mayor Wu Te-chen, Dr. Wang Chung-hui, the new Minister of Foreign Affairs, Tu Yueh-sen, Wang Hsiao-lai and representatives of the local presss.

Former Detective, Charged with Extortion, Said to Be in League with Shyster Lawyers

The *Shanghai Evening Post* of Mar. 2 stated that the first gun in what promises to develop into a sensational expose of a shyster-lawyer, legal-racket, blackmail ring, that has existed in Shanghai for a number of years, was fired in the First District Court on that date when Sung Sau-ching, former detective of the Shanghai Municipal Police, was charged with extorting $40,000 from Wu Tung-ying, wealthy proprietor of a silk filature on Miller Road. Chief Judge Dzien expressed himself as determined to smash the shyster group whose existence is said to be known to almost every lawyer in Shanghai.

Evidence is piling up that Sung and a group of lawyers, in addition to a melange of loafers and racketeers, have insinuated themselves into legitmate law suits as well as trumped up cases, including a well-known rape case involving a wealthy Chinese merchant several years ago and numerous other cases that Sung and his group are alleged to have settled out of court to their own profit.

PAINTS AND PAINT WORK

H. B. CAMPBELL

1481 Bubbling Well Road

Phone : 34360

THE NEW CHINA WEEKLY

A Chronicle of Views & News in true Chinese Light

Edited by purely Chinese

A Medium for study of Chinese problems and for advertisement

Fifteen Cents per copy - Six Dollars per year

Abroad U. S. $4.00 per year including postage

Send Your Order to the Following Address

THE NEW CHINA PUBLISHING ASSOCIATION

66 Kan Mien Hutung, Hatamen St., Peiping.

Follow China's Reconstruction

in

CHINA MOTOR & TRANSPORT

A monthly publication devoted to the Automotive, Highway, Aviation and Transportation Interests of China, with a circulation of 3,000.

Fifty Cents per copy - $6.00 per year (Outports $9.00). Abroad G. $9.00 per year including postage.

●

CHINA MOTOR & TRANSPORT

620 Szechuen Road, Shanghai.

New Books of Interest in the Far East

The Charm and Lure of Jade

Jade Lore, by John Goette; Kelly and Walsh, Ltd., Shanghai, 1936. 321 plages, with bibliogrpahy and index. Illustrated. Chinese $8.50, postage 25 cents; foreign postage, $1.50.

Jade—reverenced and admired, prized beyond rubies and used as no other gem by the Chinese—has a charm and lure of its own. The author of this volume has studied his subject for a long time and the lore he presents is fascinating to those who wish to know more of jade.

From earliest history the Chinese have used jade, surrounding themselves with beautiful pieces of it to the extent of their purchasing power.

"Jade is truly the stone of immortality. Through its mystic powers, the Chinese have sought the key to life everlasting, just as men of the west went to their deaths searching vainly for the Fountain of Youth. Withholding from mortals its secret, jade has perpetuated itself down the uncounted centuries from tribesmen whose story still remains shrouded in the yellow earth; through those Chinese who stood on the threshold of historical times; up through the dynasties of the Christian era, to this 25th year of the Republic of China."

Historically, jade held first place in China's precious possessions. It has decked beauties, enhanced thrones, protected beloved dead, and stamped government decrees. Even today the firm language of the nation's highest military leader shows adherence to old usage and simile. During the suppression of a recent revolt General Chiang Kai-shek declared, "The bogus Fukien regime is given one week in which to return to the fold. If it fails to do so, the Central Government cannot help but destroy jade and stone alike."

Jade comes chiefly from Turkestan and Burma. Chapters on the stone, its origin and endless variety in color, its industry and past history, its usage in ritual and music, its carving and its symbolism lead one through the book. There is also a chapter on modern jade fashions.

We were highly amused when we discovered the following paragraph. "The most diverting employment of jade by the new day Chinese was that of a comely miss I met on a train. When the girl smiled, she exposed a front tooth set with translucent, emerald green jade. It was held in place by a gold rim which completely circled it. I imagine it to be a permanent setting."

On a recent trip from Peiping to Shanghai this very young lady, or her twin, jade tooth and all, spent several hours in our compartment. We hoped *we* had discovered her, but now we find she's even in a book, her dental acquisition already recorded for all time.

Lovers of jade will enjoy this book and those who wish to learn of China's precious stone will certainly wish to own it. The illustrations are excellent and even the binding is in tone with the subject. The Chinese love for artistic, soul-satisfying jade is well expressed in these words of the author—"Chinese art cannot be studied as a single unit of cultural expression divorced from human religious beliefs, mythology or folk lore. It is basically a cult of symbolism, and to that factor the overwhelming mass of designs must chiefly be laid. Again, it must be remembered that wrought jade is conceived to give tactile pleasure as well as imparting a sense of beauty merely through the eye. The stone itself can be appreciated thoroughly, only when it is touched and caressed, and this same feature was applied to the carving. The fullest sensation of enjoyment is only to be had as the fingers run over the dragon or other pattern, when the message of the carver is communicated to the mind. It is in this way that the modern dealer most often determines whether a specimen is of new or old workmanship. His sense of touch warns him of sharp edges or badly rounded surfaces left by an inexperienced or careless lapidary. This property of setting up reflex in the observer, causing him unconsciously to stroke a piece of jade, is never failing."

G. B. S.

Chungking, Szechuen, Mar. 3, 1937.

Barrack-room Life in India During Empire Building Days

Old Soldier Sahib. By Private Frank Richards, D.C.M. M.M. Late of Second Battalion Royal Welch Fusiliers. With an introduction by Robert Graves. N. Y. Harrison Smith and Robert Haas, 1936. 310 pages. $2.50 U.S. Currency.

This book is unwittingly on the author's part the clearest explanation which one could hope to discover of what the Indian people resent most in British power in India. Although the book may seem nothing more or less than an unsophisticated biography of an Englishman from the ranks, the connotations are an amazing commentary—if the picture be true—upon all that can make British rule in India unlovely. It seems to be regarded as self-evident by Private Richards that the political policy and diplomatic courtesy of Lord Curzon and others, is as nothing in the mind or action of the British soldier, to whom an Indian remains but the lowest of humans. One cannot but wonder which group, the sympathetic diplomats or the soldiers described in this book, have had the more real influence on Anglo-Indian relations.

The publishers claim this to be the only "detailed, uncensored, authoritative account of Barrack-room life in a regular battalion in the old Empire building days." The reviewer hopes this truly is a reference to the past and not to present times, for he considers the book to have a pernicious influence in the present time, when relations between nations are recognized as demanding a better sense of human values than are revealed in the Indian section of this book.

F. M. R.

An Outstanding American Journalist

Victor Lawson. His Time and His Work, by Charles H. Dennis The University of Chicago Press. U.S.$4.00. 471 pages including index.

The amazing growth of American journalism during the past four or five decades can and should be attributed in a large and significant measure to the several leading personalities behind it. And among these Victor Fremont Lawson occupies a truly important place. Unassuming and unaffectatious, characteristics of his life and career, Lawson was never so spectacularly known to the general public as some of his bombastic and dramatic compatriots such as William Randolph Hearst. Still his contributions to American journalism and to world journalism at large are not any less important or solid than that of his more vociferous and pretentious brothers of the craft.

His chief and best konwn achievement is of course he *Chicago Daily News* which remains today one of the most outstanding newspapers of America, outstanding for its accuracy, its fairness, its wholesomeness and last but not the least its pioneering and consistent interest in international affairs. It's no accident that one of the justifiable prides of the *Daily News* is its able and strong staff of foreign correspondents. But Lawson's accomplishments cannot be confined to the *Daily News* alone. He was chiefly instrumental in the creation of the *Associated Press* and has been quite fittingly accorded the honor of being its founder. His early recognition of the importance and value of the so-called non-news or feature material for the modern newspaper also entitles him to great credit. As James Keeley says of him:

"I have been wondering, how many of the present-day newspapermen realize how great a pioneer Victor F. Lawson was in the newspaper world. His clarity of vision many years ago had a whole lot to do with the development of what is technically known as the 'feature business' today—a fundamental part of every worthwhile newspaper. While his valuation of news was excellent, yet he was one of the first big editors to realize that every inch of space in the newspaper should not be given to what is classified as news. He believed in a varied menu, that all interest was not centered in the local 'yesterday' and the telegraphic 'today.'"

Infinitely more important and valuable perhaps than his contributions to journalism along technical or professional lines was his ceaseless and fearless advocacy of accuracy, impartiality and truth particularly in his news columns. "The *Daily News*," he wrote, "is first of all a newspaper, and as such will seek in this (the World War), as in all other matters, to print the news and tell the truth about it, regardless of friends and critics alike. Whatever may be its own views respecting the right and wrong of the momentous history that is now in the making, these views will be reserved for its editorial columns. Its news columns will record the facts, so far as they are obtainable, free alike from partisan bias and color and from editorial opinion. This is but the obligation of common honesty as between newspaper and reader." That such a statement was made during the feverish days of the World War when many a newspaper and news agency not only in Europe but also in America was literally swept off its feet by patriotic zeal and partisan spirit which threw to the four winds Accuracy, Fairness and Truth, Lawson's words about the *Daily News* were uniquely significant. Another principle that Lawson insisted upon and that according to him was the key to the success of the *Daily News* as an outstanding newspaper is Independence. Replying to a letter from M. S. Sherman, editor of the Union of Springfield, Massachusetts he wrote thus: "It would be a difficult matter to attempt anything like an exhaustive answer to your question as to what factors have contributed most to the success of the *Daily News*. I may mention, however, a few cardinal principles that have governed the policy of the paper from the first.

1. The paper was independent—literally and sincerely independent from the first issue. Forty years ago independent newspapers were not common. Until the *Daily News* appeared there was no independent newspaper in Chicago.

2. The *Daily News* has always reflected the sincere convictions of its owners—it has never 'shaded' the advocacy of its principles for the sake of temporary expediency. It has not sought to avoid unpopularity when it recognized a duty to be performed. The result has been a degree of public confidence in its sincerity-not infallibility—which is a distinct factor in its present success.

3. The *Daily News* has sought to be as good a newspaper as it could afford to pay for. As its financial resources grew its news value grew with it. We have always been ambitious to make the paper as good a newspaper-good in quantity, quality and accuracy—as possible."

Truly Victor Lawson deserves the epithet: A Militant and Self-sacrificing Champion of Truth and Progress.

So much for the man. As for the book about him Mr. Dennis has given us a faithful and full-length portrait. True to his journalistic tradition Mr. Dennis throughout the book places great emphasis upon facts rather than opinions, which is as it should be and a most prized quality of a good and authentic biography. But unlike a journalist his style is slow-moving, so much so in certain places that it is actually tedious. The first seven chapters of the book which purport to give the background could well be compressed into two or three chapters especially for those who haven't the predilection for too minute details and for local color. With the eighth chapter the author's pen really begins to move with alacrity and vividness which are pretty well maintained till the end of the book. All in all it is an ably-written biography, a biography that does justice to its subject-matter and provides a great deal of useful material and much food for thought for students of journalism, practicing journalists and particularly for those who are engaged in publishing or contemplate publishing sketches of their life careers.

HUBERT S. LIANG.

Peiping, Mar. 2, 1937.

A Sentimental Trip Around the World

Orient Seas and Lands Afar. By Dr. Rebecca Parrish. N. Y. Fleming H. Revell, 1936. 152 pages. U.S.$1.50.

It is easy to understand why a traveller ten years ago should have written a sentimental and generalized account of a trip around the world—but it is not so easy to understand why a publisher should choose to print it. The trip described in this book includes both the Aleutian Islands and northern most Norway, with the regulation spots in between. And sometimes one's imagination finds it difficult to follow. For example:

"Our staunch steamer had ploughed across the world's largest sea, and nosed into a little strait, anchoring in the harbor of Hakodate . . . What an exciting time; it was the first steamer to put into that port for so long—only the third in twenty-five years . . . Freight for Hakodate included steam engines; one hundred thousand sacks of flour—it was good flour—for bread for China."

"On the little train up to Tokyo, we met a young Chinese representing the Imperial Telephone Company . . . Our Chinese friend laid off his queue (did you know they could do that?) and dressed immaculately in a European suit."

"Eight miles out (from Penang) by tram-car stands an old Chinese temple, Ayer Itam, whatever that means; and thither we went to see this largest temple in the Far East, built to the god of Chingco, whoever he is; 'twas interesting.'"

This book should be an encouragement to the amateur writer, for it proves without the shadow of a doubt that there must be a publisher for everything that can be written.

F. M. R.

A Study of the Law of Aviation

Liability in the Law of Aviation. By Lincoln H. Cha. Printed by the Commercial Press Ltd., Shanghai, 1935.

This is a thoughtful and accurate comparative study of the problem of the air carrier's liability to passengers for death or personal injuries as provided for in the laws of Germany, France, Italy, England and the United States. Since Aviation Law has developed only in course of the last two decades, books dealing with special problems in this field are still scarce and every new one should be most warmly welcomed.

Besides a detailed survey of the principles underlying the nature of liability of the air carrier in each of the five countries respectively, the author has devoted a large part of his work to the study of the same problem as dealt with in International Law. Much interesting information is contained in the review of the Warsaw Convention of 1929 which, both in the matter of reconciliation of conflicting views of different states and from the standpoint of codification, presents a notable achievement in the field of civil air law development.

The book supplies an ample list of reference materials used by the author for the compilation of his work, which is undoubtedly to be considered a valuable contribution to this specific branch of science.

A. G.

Dr. W. S. A. Pott Stresses Importance of Small College in Speech at Elmira

In a speech made at a meeting of the Elmira College Alumnae Council in Elmira, N.Y. Oct. 10, Dr. W. S. A. Pott, president of the college (who is a son of Dr. Hawkes-Pott, President of St. John's University, Shanghai) in a speech at the luncheon stressed the importance of the small liberal arts college, which he termed a distinctive American Institution, in creation of the nation's leaders. He also referred to Bacon's comments on over-emphasis of the merely vocational or practical interest in the higher education of Europe 300 years ago.

PAMPHLETS OF INTEREST

China Chronicle Series.

		Price.
1	Guide to "Peking"	$0.80
2	The Japanese Recognition of "Manchukuo"	0.25
3	Official Summary of the report of the Commission of Enquiry into The Sino-Japanese Dispute	0.50
4	The Future of China	0.10
5	Tibet under The Dalai Lama	0.30
6	Some Canine Breeds of Asia	0.40
7	Report on Technical Cooperation between The League of Nations and China. *By Ludwig Rajchman.*	0.60
8	The New Life Movement. *By Chiang Kai-shek*	0.30
9	Confucius and Present-Day China. *By Shao Yuqn-chung.*	0.30
10	Some Remarks on the Worship Offered Confucius in the Confucian Temple. *By L. C. Arlington*	0.50
11	The Buddhist Cave Temples at Yun-kang. *By Dr. Gordon King*	1.00
12	"Nanking: The Capital" *By Dr. Ralph A. Ward*	0.20
13	Wang An-shih. *By The Rev. H. R. Williamson Litt. D.*	0.40
14	Some Earlier Embassies to China	0.20
15	When The West Came to the East. *By W. Sheldon Ridge*	0.40
16	China, Mongolia and Russia	0.25

ON SALE AT:

THE PEIPING CHRONICLE

2, Mei Cha Hutung, Peiping, China — Teleg. Address: "Chronicle"

CHINA UNITED PRESS PUBLICATIONS.

THE PEOPLE'S TRIBUNE: a fortnightly journal of fact and opinion about China and other Countries: Annual Subscription—China $8.00; Abroad G. $5.00; Malaya $8.00 (Str.).

"CHINA TO-DAY" SERIES:

1. SUPPRESSING COMMUNIST-BANDITRY IN CHINA (2nd Ed.) Illustrated.
   China $3.30; Abroad G. $1.50;
2. CHINA'S PROBLEMS & THEIR SOLUTION, By Wang Ching-Wei, (French Edition only left).
   China $4.80; Abroad G. $2.50;
3. RECONSTRUCTION IN CHINA, with 134 Illustrations and 3 Maps.
   China $10.30; Abroad G. $6.00;
4. THE PUPPET STATE OF "MANCHUKUO"
   China $6.30; Abroad G. $3.00;
5. THE CHINESE RAILWAYS—PAST AND PRESENT, By Cheng Lin, (2nd Ed. in the Press.)
   China $7.80; Abroad G. $3.00;
6. THE NEW SOCIAL ORDER IN CHINA, By T'ang Leang-Li,
   China $8.80; Abroad G. $3.00;
7. CHINA FACTS AND FANCIES,
   China $7.80; Abroad G. $3.00;
8. CHINA'S NEW CURRENCY SYSTEM, By T'ang Leang-Li,
   China $5.30; Abroad G. $2.00;
9. CHINA'S POSTAL & OTHER COMMUNICATIONS SERVICES, (in the Press.)
   China $7.80; Abroad G. $3.00;

(Other Volumes in Preparation.)

All the Above Prices Include Postage.

CHINA UNITED PRESS

299 Szechuen Road, Shanghai.

T'IEN HSIA MONTHLY

下天

Published by the Sun Yat-sen Institute for the Advancement of Culture and Education, Nanking.

Board of Editors

John C. H. Wu, Mng. Ed. T. K. Chuan,
Yao Hsin-nung, Lin Yutang, (On leave)
Wen Yuan-ning, Editor-in-Chief

"T'ien Hsia Monthly should be read by every English speaking person."

—*Asia Magazine.*

March, 1937. Vol. IV. No. 3.

ARTICLES

The Contemporary English Novel *By Chung Tso-you*

Ku Hung-ming ..... *By Wen Yuan-ning*

The Trend of Modern Chinese Music *By Chao Mei-pa*

Chinese Furniture .... *By John C. Ferguson*

Un Mélange (A Medley) *By John C. H. Wu*

CHRONICLES

Philosophy Chronicle .... *By T. K. Chuan*

TRANSLATION

The First Home Party .... *Translated by Richard L. Jen*

BOOK REVIEWS

Subscriptions (Payable in Advance)

Domestic: $9.00 per annum or one dollar per copy
America: Gold $5.00 per annum or 50 cents per copy
England and other countries: 20/—per annum or 2/6 per copy.

All subscriptions to be sent to

MESSRS. KELLY & WALSH, LTD.
66 Nanking Road, Shanghai.

INTERNATIONAL CO-OPERATION STRESSED BY WANG CHUNG-HUI; SATO SEES NEED OF REVISING CHINA POLICY

(*Continued from page* 50)

friends at Soochow March 7. It is stated that Mayor Wu did not wish to hold any elaborate celebrations and left Shanghai by train on March 6 for Soochow.

Gen. Wu Te-chen

The erection of a hall at the Kiangwan Civic Center in honor of Mayor Wu Te-chen is being proposed on the occasion of the mayor's 50th birthday anniversary on March 9 by a group of local Chinese civic leaders. The group of prominent Chinese mentioned as promoters of this plan include Yu Yu-ching, local shipping magnate, Wang I-ting, philanthropist, Wang Hsiao-lai, Chairman of the Provisional Board of City Counsellors; Tu Yueh-sen, President of the Chung Wai Bank and Y. M. Chien, General Manager of the Joint Savings Society. The idea of erecting a hall in honor of the mayor on the occasion of his 50th birthday anniversary was prompted by the meritorious services he has thus far rendered to the Shanghai public during his tenure of office as mayor of this cosmopolitan city for the past five years.

Dr. H. H. Kung, Vice-President of the Executive Yuan and Minister of Finance, has decided to sail for London April 2 to represent China at the Cornation of His Majesty King George VI, *Central News* reported March 3. Dr. Kung will most probably be away for three months, during which time the affairs of the Ministry will be attended to by the two Vice-ministers, Tsou Lin and Hsu Kan. Jabin Hsu, Director of the General Affairs Department, and Lee Tan, Director of the National Treasury Department, it is stated, will be included in Dr. Kung's entourage to London.

With reference to the bill regarding the holding by Central Government officials of concurrent posts in the Local Governments and the holding of concurrent posts by local Government officials; and ways and means for the appropriation of allowance—referred to it by the National Government, the Executive Yuan, at its meeting March 2, decided that the provisions in the existing laws and ordinances—which forbid officials holding concurrent posts to draw double salaries and which forbid Central Government officials from holding concurrent posts in Local Governments—should still be enforced as heretofore. However, it was decided that Local Government officials holding concurrent posts may receive allowances in accordance with the measures governing the receipt of special allowances by Ministers and Chairmen of Commissions in the Central Government who hold concurrent posts, provided that no violation of the laws and ordinances is involved.

Charges of acceptance of bribes, violation of law, malfeasance in office, and endangering the State and the people are brought against Ma Chao-chun, Mayor of Nanking, by several citizens in Nanking in a joint petition to the Executive Yuan. The petition requests that Mayor Ma be severely punished.

Hwa Mei Wan Pao reported March 3 that the following new appointments will be made in the near future:

Wang Fah-ching, member of the Legislative Yuan, will be named Minister of Industry to succeed Wu Ting-chang, and Y. M. Chien will be appointed Minister of Railways to succeed Chang Chia-ngau.

A Useful Hint To Nursing Mothers.

Women nursing babies should carefully watch their own health and daily regularity, for failure to do this lets loose poisons into the blood which rob the baby's food of purity and strength. The most efficient laxative for the nursing mother's use is Pinkettes, which act as gently as nature and neither gripe nor purge. Pinkettes dispel sick headaches, biliousness, flatulence, keep the skin clear and the breath sweet. Of chemists everywhere.

PINKETTES
THE GENTLE LITTLE
LAXATIVE LIVER REGULATORS
KEEP YOU WELL

Just off the Press

MODERN CANTON

BY

EDWARD BING-SHUEY LEE

$5.00

THIS BOOK TELLS THE STORY OF THE DEVELOPMENT INTO A MODERN CITY OF THE MOST INTERESTING CITY IN SOUTH CHINA

ON SALE AT

The China Weekly Review

160 Ave. Edward VII Shanghai

The SHANGHAI

NICHI NICHI SHIMBUN

THE ONLY JAPANESE NEWSPAPER PUBLISHED IN SHANGHAI WITH A SPECIAL CHINESE EDITION DAILY. IT HAS A CIRCULATION OF MORE THAN 6,000 COPIES. IT IS THE RECOGNIZED PAPER BY THE LOCAL JAPANESE COMMUNITY FOR ALL COMMERCIAL, SHIPPING AND FINANCIAL INTELLIGENCE

YOUR ADVERTISING CAMPAIGN IN SHANGHAI IS INCOMPLETE IF WITHOUT

THE SHANGHAI NICHI NICHI SHIMBUN

455 CHAPOO ROAD SHANGHAI

Latest New York Stock Exchange Quotations

March 10, 1937

Stock Exchange—Business Done:-

Total Volume: 2,390,000 Shares

1936—37 High	1936—37 Low	Div. $ per sh.	STOCK	Last Sale Mar. 8	Last Sale Mar. 9
19	9⅝	0.55	Adams Express	21¾	21⅝
137½	105⅝	4.00	American Can	108	111¼
40¾	29¼	0.00	Amer. Cyanamid "B"	32⅜	31⅞
13¼	6½	—	American & For. Power	12½	12⅝
68¼	29¾	—	American & Foreign Pwr. 07. pfd.	63	63½
29¼	18¾	0.60	American Radiator	26⅞	26½
190⅛	149½	9.00	American Tel. & Tel.	179¼	178
104	88½	5.00	American Tobacco "B"	92	84¼
29½	19⅛	0.80	American Waterworks	25½	25¼
67⅜	28	1.00	Anaconda Copper	67⅜	67¼
88½	59	2.00	Atchison, T. & S. Fe	84⅞	85⅝
54¼	26⅝	—	Auburn	31½	31
36¾	15⅞	—	Baltimore & Ohio	36	35½
104⅝	45¾	1.50	Bethlehem Steel	101⅝	103⅜
49⅛	16⅞	—	Boeing Airplane Co.	46½	46
17⅝	10⅞	—	Canadian Pacific Railway	16¾	16⅜
186	92½	4.00	Case, J. I.	165	162⅞
63⅞	34	1.40	Chase National Bank	60¾	60¾
100	59	3.00	Chesapeake Corp.	88½	86½
77½	51	2.80	Chesapeake & Ohio	67½	67½
137⅝	85½	12.00	Chrysler	127½	127½
23⅜	14	0.60	Columbia Gas Electric	17⅝	17¾
24⅝	14¼	0.60	Coml. Sovents	19⅝	19¼
5½	2¼	—	Commonwealth & Southern. ord.;	3½	3⅞
49⅞	27¼	2.00	Consolinated Edison	42⅞	42
17	11½	0.80	Consolidated Oil	16¾	17
45	28⅛	1.00	Continental Oil	41¼	43¾
82½	63⅝	3.00	Corn Products	70½	69¾
82¼	50⅝	—	Douglas Aircraft	65½	64½
184¾	133	7.00	Du Pont de Nemours	173½	173¼
28	15¾	—	Electric Bond & Share	25	25⅝
64½	34½	1.00	General Electric	61½	61¼
44	33⅝	2.00	General Foods	43¼	43⅝
77	53⅜	4.50	General Motors	66½	65½
64	32½	1.00	General Railway Signal	60	58
45¼	13⅝	1.00	Gold Dust	45¼	46⅛
42¼	21⅝	0.50	Goodyear Tire & Rubber	42¼	42½
86⅛	57	1.00	Humble Oil	83¾	84½
72⅝	43¼	1.60	International Nickel	72¼	71¼
19¼	11¼	—	International Tel. & Tel.	13¾	13⅜
67⅝	28¼	1.70	Kennecott	66⅜	68
80¾	43	2.60	Loew's Inc	79¼	80⅜
28⅛	21⅛	1.20	Lorillard	26⅜	25⅝
103	79	1.70	Monsanto Chemical	91¾	91½
68	35¾	2.00	Montgomery Ward	67⅛	67⅞
59¾	32	1.00	National City Bank	57¾	57⅝
28¼	21	1.20	National Dairy Prods.	23½	23⅝
33⅜	25⅝	2.00	National Distillers	30⅛	31⅜
14⅞	9⅝	0.60	National Power & Lt.	12⅜	12½
52	27¾	—	New York Central	52	51⅝
36¾	22⅜	1.00	North American	30	30¾
41	30¾	2.00	Pacific Gas & Electric	34½	34⅞
58¾	44⅜	3.00	Pacific Lighting	46	45¾
13⅜	6⅞	0.45	Packard Motors	11¼	11
47⅛	28¼	2.00	Pennsylvania Railroad	47⅛	47
57⅜	38⅛	2.50	Phillips Petroleum	56	56⅜
52½	39	2.60	Public Serv. of N. J.	46	45
14¼	9¾	—	Radio Corporation of Amer.	12	12
60¼	50	3.00	Reynolds Tobacco "B"	55	52¾
55⅜	37¾	3.00	Schnley	47⅛	48
101½	59⅝	3.00	Sears Roebuck	92⅝	94¾
19⅜	12½	0.70	Socony-Vacuum	19	19¼
32½	25	1.50	Southern California Edison	29	28½
63	23½	—	Southern Pacific	61¾	62½
18⅛	14⅜	0.80	Standard Brands	15⅜	15⅜
14⅛	5½	—	Standard Gas & Electric	13⅜	13⅞
75	51⅓	1.00	Standard Oil Co. of N. J.	74½	74¾
78½	65	3.80	Sterling Products	69½	70
44⅜	33	2.00	Texas Gulf Sulphur	40	39¾
18⅛	11	0.40	Transamerica	16¼	16½
110½	71⅝	2.80	Union Caride & Carbon	109	108⅝
149¾	108½	6.00	Union Pacific	136½	139⅞
34⅝	20⅝	0.50	United Aircraft (New)	33¼	33
24⅛	13	0.20	United Airline Trans.	21½	21⅛
13½	5⅜	0.20	United Corporation	6¾	6⅞
19½	14⅛	1.00	United Gas Improvement	14¾	14⅝
59	31¼	—	U. S. Indus. Alcohol	38¾	39½
62	16⅝	—	U. S. Rubber	61¼	62⅜
126	46¾	—	U. S. Steel	123	124⅛
37½	16¼	—	Vanadium	37½	38
18⅝	9¼	—	Warner Bros. Pictures	15½	15⅜
166	94½	5.50	Westinghouse Electric	154	153¾

Call Money: 1 %

SWAN, CULBERTSON & FRITZ

SWAN, CULBERTSON & FRITZ

Investment Bankers

and Brokers in Securities and Commodities

Daily New York and London Stock Exchange Service

Sassoon House **Telephone 11200**

Chinese Railways

Nanking-Shanghai and Shanghai-Hangchow-Ningpo Lines

From Shanghai to Nanking: 311.04 Kilometers

From Shanghai to Hangchow: 189.57 Kilometers

The Nanking-Shanghai Line extends from Shanghai, one of the greatest seaports in the world, to Nanking, the seat of the Nationalist Government of China. Short as it is when compared with the other trunk Lines in China, it serves a rich and densely populated district of preponderant importance, politically, as well as commercially and industrially. The whole Line is dotted over with points of known scenic beauty too numerous to be all mentioned here. Tourists and travellers should utilize the train service of this Line at least to visit Soochow, known as the "Garden City of the Orient," Wusih, the picturesque city on Lake Tai-hu, Chinkiang, the "Gate of the Yangtze River," and Nanking, a city rich in historic remains with the new grand Mausoleum of modern architecture for Dr. Sun Yat Sen, Founder of the Chinese Republic.

The Shanghai-Hangchow-Ningpo Line runs southwestward from Shanghai through a tract of beautiful places. At Lunghwa one will see the famous Pagoda with a long history attached to it; at Sungkiang, the observatory of the French Fathers at the summit of Sha Shan and the grave of General Frederick Ward; at Kashing, the South Lake and the Three Pagodas situated about two miles from the station; and at Hangchow, the present terminus of the Line from Shanghai, the renowned West Lake which called forth highest praise from Marco Polo, with such picturesque surroundings that it has been well called the "Switzerland of China." Tourists! A visit to Hangchow by the comfortable trains of this Line will give you the utmost satisfaction of travel and untold pleasure of sight-seeing.

For further information apply to the Traffic Manager of the two Lines at Shanghai North Station.

中華郵政特准掛號認爲新聞紙類

Registered at the Chinese Post Office as a newspaper for transmission with special marks privileges in China